

N. D. WOOD
Estate Agents
Solicitors & Valuers
100, London Wall, EC2A 3DP
(01) 475 4444
Solicitors, 100, London Wall, EC2A 3DP
(01) 475 4444

FINANCIAL TIMES

No. 26,175 Monday, October 1, 1973 6p

هكلمان الأميل
Healey & Baker
COMMERCIAL PROPERTY CONSULTANTS
LONDON PARIS BRUSSELS AMSTERDAM

SUMMARY

Warning of train cuts by BR

BUSINESS

and Warning of train cuts by BR

A WARNING by British Rail that staff shortages are threatening some winter train services is likely to give fresh impetus to demands by the militant train drivers' leaders for improved "special case" pay rises.

Post Office services to-day face disruption from a half-day stoppage by 70,000 P.O. white-collar workers protesting at the recent Pay Board anomalies report.

Power engineers in the electricity supply industry have given formal notice of a ban on out-of-hours working from November 1, 25 miles inside Hull.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

Mr. Heath had a meeting with NATO officials on the Foreign Secretary's present. It is the sole topic was the threatened rift between the Icelandic and the British.

ON OTHER PAGES

15-34	Minister Notebook	37
35-44	Overseas News	41
45-54	Regional Markets	47
55-64	Special	51
65-74	Stocks	57
75-84	Money	61
85-94	Yachting	65
95-104	Calendar	69
105-114	Technical	73
115-124	TV and Radio	77
125-134	Weather	81
135-144	ANNUAL STATEMENTS	85
145-154	A. Cohen and Co.	89
155-164	Frederick Cooper (Holdings)	93
165-174	J. L. Rier and Co.	97
175-184	C. S. Wiggins and Sons	101

Labour leaders see big move to Left on public ownership

BY JOHN BOURNE and JOHN ELLIOTT, Blackpool, Sept. 30

Mr. Harold Wilson and other leading members of the Labour Party — mostly on the Left — are now convinced that this week's annual conference will end with Labour making its biggest move towards the Left on public ownership since 1945.

They also believe that this conference, that will be nearer to such a situation by the end of the week, but we are certainly still a long way from it at the beginning. Mr. Jenkins said that Labour's relative strength in the opinion polls had come only by the Government's failure.

Wilson's aims

Left-wingers maintain, however, that whatever Mr. Wilson's intentions, such as his threat that the "shadow" Cabinet, when drafting the next election manifesto, would veto the reference to nationalising 25 of the largest manufacturing companies, contained in the Labour Party's policy programme for extending public ownership. But so far most of these are keeping their heads down, following the party during their received in the Common Market controversy in 1971-72.

Mr. Roy Jenkins, at a Labour Committee for Europe meeting here to-night, devoted most of his speech to the need for Britain to stay in the EEC and for the Labour Party to be represented on EEC institutions. He had only three like-minded words to say about other issues at this week's conference. "A healthy scenario is where the Government is fading but the Opposition is drawing steadily to itself an increasing body of opinion, the support of which is crystallising around a few themes which, if widely agreed, will provide the successor government with its philosophy and its priorities."

Linwood decision gives Chrysler breathing space

BY PETER CARTWRIGHT AND CHRIS BAUR

THE WEEKEND decision by 124 Chrysler U.K. electricians at the Linwood, Renfrewshire, car plant to remain at work at least for another week gives a further breathing space for peace talks over the next few days aimed at settling the main eight-week strike by 156 electricians at the company's two Coventry plants.

Linwood decision gives Chrysler breathing space

BY PETER CARTWRIGHT AND CHRIS BAUR

THE WEEKEND decision by 124 Chrysler U.K. electricians at the Linwood, Renfrewshire, car plant to remain at work at least for another week gives a further breathing space for peace talks over the next few days aimed at settling the main eight-week strike by 156 electricians at the company's two Coventry plants.

Linwood decision gives Chrysler breathing space

BY PETER CARTWRIGHT AND CHRIS BAUR

THE WEEKEND decision by 124 Chrysler U.K. electricians at the Linwood, Renfrewshire, car plant to remain at work at least for another week gives a further breathing space for peace talks over the next few days aimed at settling the main eight-week strike by 156 electricians at the company's two Coventry plants.

Linwood decision gives Chrysler breathing space

BY PETER CARTWRIGHT AND CHRIS BAUR

THE WEEKEND decision by 124 Chrysler U.K. electricians at the Linwood, Renfrewshire, car plant to remain at work at least for another week gives a further breathing space for peace talks over the next few days aimed at settling the main eight-week strike by 156 electricians at the company's two Coventry plants.

Heath-CBI talks to-day

BY RICHARD EVANS, LOBBY CORRESPONDENT

MR. EDWARD HEATH and a group of his senior economic Ministers meet Confederation of British Industry leaders at Downing Street to-day for the last in the series of meetings before the Government's proposals for Phase Three are published.

Heath-CBI talks to-day

BY RICHARD EVANS, LOBBY CORRESPONDENT

MR. EDWARD HEATH and a group of his senior economic Ministers meet Confederation of British Industry leaders at Downing Street to-day for the last in the series of meetings before the Government's proposals for Phase Three are published.

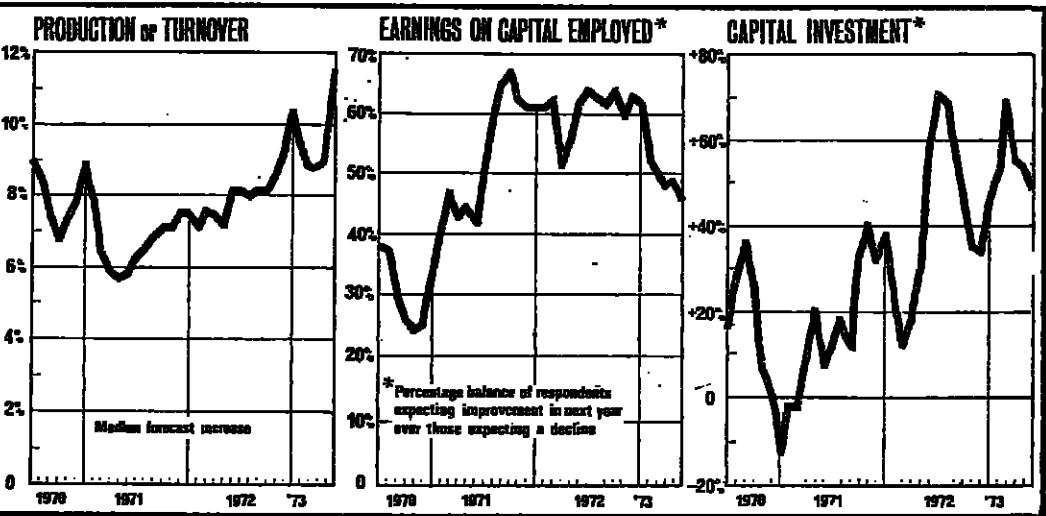
FT Monthly Survey of Business Opinion

Manpower, raw material shortages grow worse

SHORTAGES of raw materials, growth of personal consumption, rising. This reflects the upward components, and labour are growing steadily worse, and the consumer boom is lasting longer than expected, although cast for unit wage costs has the consumer trades are now somewhat less optimistic about total unit costs and output prospects for the winter months. prices, the median forecast is 71 per cent.

This is brought out by the latest Financial Times monthly survey of business opinion, which shows no sign of any slackening in the pace of industrial expansion.

Orders and output trends remain as high as ever in the two consumer sectors surveyed last month—cars and durables, and stores and consumer services—despite Government predictions of a slowdown in the



EARNINGS ON CAPITAL

	June-Sept.	May-Aug.	Apr.-July	Mar.-June	Elect. Consumer	Durables	Stores
Those expecting earnings during current year to:							
Improve	55	58	57	57	40	59	44
Remain the Same	30	30	28	29	60	17	22
Contract	9	9	9	7	—	24	17
No comment	6	3	6	7	—	—	17

© Statistical Material Copyright Taylor Nelson Group Ltd.

Tanaka at No. 10 this morning

BY KEVIN RAFFERTY, ASIA CORRESPONDENT

MR. KAKUEI TANAKA, Prime Minister of Japan, today gets bilateral trade issues may take second place to international British political and business topics. Mr. Tanaka came to London from Paris, and on Wednesday after a week-end of informal meetings, including a day in London with Mr. William Whitelaw, Secretary for Northern Ireland.

The Japanese Premier is scheduled for more than two hours of discussions this morning with Mr. Edward Heath at 10, Downing Street, and he will then go on to lunch with leaders of the Confederation of British Industry.

Although the British leaders are anxious about the development of trade with Japan, monetary reform and the world energy crisis will also be high on the Downing Street agenda.

Mr. Tanaka may try to place the Anglo-Japanese trade discussions in a European context. Japan's trade surplus with Britain has been steadily increasing since 1970, when it was \$82m., to last year when Japan had a surplus of \$480m. on visible trade with Britain.

Goods worth \$980m. were sold to Britain against Japan's imports of \$600m. In the first six months of this year, Japan had a trade surplus with Britain of nearly \$211m.

Our hotel-the fastest way to South Africa

The airline that treats you like a grand hotel treats you. Blue Diamond Service, Gold Medallion Service. Less seats, less people, more space, more kitchens, more loos, more service, more everything, even a maitre d'hotel. 6.15 p.m. every day to Jo'burg.* On Mondays the service is NON-STOP, only 12½ hours. The fastest way to South Africa.

Details about the flying hotel
* 5.15 p.m. from October 28.

SAA
South African Airways
Where no-one's a stranger

Aberdeen for Offshore men

FOLLOWING the success of Offshore Scotland, a major international exhibition and conference, to be called Offshore Europe, will be held in Aberdeen from September 16th-19th, 1975. Promoted jointly by the magazine Offshore Services and the North East Scotland Development Authority (NESDA), the exhibition will be sponsored by CRMPE—Council of British Manufacturers and Contractors Serving the Petroleum and Process Industries; and the Association of British Oceanological Industries (ABOI).

Aberdeen has been chosen as the venue for this world event because of its obvious importance as the leading European offshore city—an importance which will be even more apparent in 1975 as the industry continues to expand. Facilities will be available to accommodate up to 500 exhibitors in 300,000 square feet gross exhibition space. Initial enquiries should be addressed to Offshore Services, 2, Fife Road, Kingston-upon-Thames, Surrey

Exhibits that will move

ARRANGEMENTS are now well advanced for the Third National Automated Production Exhibition, to be held at the Belle Vue Exhibition Centre, Manchester, from November 12 to 16. Occupying an overall floor area of 65,000 sq. ft., Apex Three will bring together an even broader range of automation equipment and techniques than its predecessors. With the British industry now fully embarked on capital re-equipment on an unprecedented scale, this year's exhibition bids far to be by far the most successful.

Since its inception in 1971, Apex has established itself as pre-eminently the production manager's exhibition, where practical solutions to the most acute automation problems can be found.

For many visitors, the great merit of the show has always been the high proportion of the exhibits that are demonstrated in operation, in a real or simulated production situation. At Apex Three, where many new automated machine tools are to be shown, production engineers and designers will have a much better opportunity of seeing how present-day production machines can outperform the equipment they are currently using.

U.K. TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	Footwear for Spring Exhibition (cl. Oct. 3)	Mount Royal Hotel, W.1
To-day	Junior Fashion Fair (cl. Oct. 4)	Horticultural Halls, S.W.1
Oct. 3-4	Menswear Exhibition and Convention	Exhibition Centre, Harrogate
Oct. 2-5	Convenience Foods from Italy Exhibition	Italian Trade Centre, W.1
Oct. 2-11	Business Efficiency Exhibition	Olympia
Oct. 3-20	Midlands and West Commercial Exhibition	Grand Hotel, Birmingham
Oct. 3-20	Modern Homes Exhibition	Keir Hall, Glasgow
Oct. 8-12	Screen Printing and P.O.S. Exhibition	Olympia
Oct. 9-11	Housing and Town Planning Exhibition	Spa, Scarborough
Oct. 15-17	Homes Overseas Exhibition	Midland Hotel, Manchester
Oct. 15-20	Kensington Antiques Fair	Kensington Town Hall, W.8
Oct. 17-18	Engineering Products and Services Exhibition	Watford Town Hall
Oct. 17-20	Antiques and Jewellery Exhibition	Carlisle Hall, Sheffield
Oct. 17-27	International Motor Show	Earls Court
Oct. 18-20	Management Services Exbn. and Conference	Exhibition Hall, Harrogate
Oct. 21-25	Domestic and Com. Textiles Exhibition	Olympia
Oct. 22-25	Engineering Inspection and Control Exhibition	Horticultural Halls, S.W.1
Oct. 22-28	International Audio Fair	Olympia
Oct. 23-25	Highland Trade Fair	Aviemore Centre
Oct. 23-28	Foodpack International '73 Exhibition	Olympia
Oct. 29-31	French Women's Ready-to-Wear Exhibition	Regent Centre Hotel, W.1
Nov. 4-7	Leisure Trades Fair	Regent Centre Hotel, W.1

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Current	Videoconferencing Conference and Exbn. (cl. Oct. 3)	Cannes
To-day	Food Processing, Packaging and Distrib. (cl. Oct. 5)	Johannesburg
To-day	Electronics Exhibition (cl. Oct. 7)	Osaka, Japan
Oct. 3-8	Factory Safety and Hygiene Exhibition	Dusseldorf
Oct. 3-7	Storage, Handling, Distribution Exhibition	Padua, Italy
Oct. 4-14	Motor, Cycle and Sport Exhibition	Paris
Oct. 5-11	International Aerospace Show	Iruma, Japan
Oct. 8-13	British Marine Equipment Exhibition	Tokyo
Oct. 10-14	Food Processing Machinery Exhibition	Milan
Oct. 9-11	Hardware and Household Goods Exhibition	Dublin
Oct. 11-23	Hotel Equipment Exhibition	Paris
Oct. 11-17	International Packaging Exhibition	Gothenburg
Oct. 12-21	International Food Fair	Copenhagen
Oct. 13-15	Souvenirs and Advertising Gifts Exhibition	Salzburg
Oct. 14-21	Trade and Tourism Equipment Exhibition	Milan
Oct. 15-19	British Industrial Technology Exhibition	Birmingham
Oct. 20-25	Women's Ready-to-Wear Exhibition	Paris
Oct. 23-25	Pollution Engineering Exhibition	Philadelphia
Oct. 25-28	Wood and Allied Products Exhibition	Rotterdam
Oct. 30-Nov. 3	Intl. Plastics, Printing and Packaging Exbn.	Johannesburg
Nov. 2-11	German Industries Exhibition	Berlin
Nov. 3-11	International Commercial Motor Show	Turin
Nov. 3-9	National Plastics Exhibition	Chicago
Nov. 5-10	International Furniture Exhibition	Utrecht
Nov. 5-13	International Retail Trades Equipment Exbn.	Paris

BUSINESS AND MANAGEMENT CONFERENCES

Oct	Contractors' Plant Assoc.: Plant Hire (cl. Oct. 2)	Grosvenor House, W.1
Oct	2-3	Assoc. Business Programmes: Marketing Seminar	Kensington Close Hotel, W.3
Oct	3-4	London Chamber of Commerce: Offshore Oil	Grosvenor House, W.1
Oct	4	Fleeman Conferences: Going Public	Strathallan Htl., Birmingham
Oct	8-12	Dunchurch College: European Motors Skills	Dunchurch, Rugby
Oct	9-10	Financial Times: Management Motor Industry	Royal Lancaster Hotel, W.2
Oct	10-12	Marketing Improvements: Managing a Sales Force	Portman Hotel, W.1
Oct	11-12	Fin. Times and City: City: FT-City Course	City University, E.C.2
Oct	15-19	Computer Power: Systems Management	Beeston, Notts.
Oct	15-26	Mitchell Partners: Method Study	Beeston, Notts.
Oct	16	Ldn. Chmbr. of Comcr.: Angola and Mozambique	69, Cannon Street, E.C.4
Oct	16-17	Marketing Improvements: Practical Pricing	Portman Hotel, W.1
Oct	16-17	Fin. Times and Professional Administration:	Royal Lancaster Hotel, W.2
		Managing the Company's Money	
Oct	16-19	Computer Power: Decision Tree	Cannock, Staffs.
Oct	18	James Morrell: Forecasting by DEC 73-78	Carlton Towers Hotel, S.W.1
Oct	19	Bus. and Ind. Training: Cost of Noise	Cafe Royal, W.1
Oct	22-23	BACIE: Training for Fault Diagnosis	16, Park Crescent, W.1
Oct	26-26	Brunel University: Organisation Analysis	Uxbridge, Middlesex
Oct	26-26	Brit. Inst. of Management: Art of Selling	Hilton Hotel, W.1
Nov	2-9	Mitchell Partners: Work Measurement	Beeston, Notts.
Nov	2	Assoc. Bus. Programmes: The Secretariat	Royal Lancaster Hotel, W.2
Nov	5-8	Financial Times and Canning House: Doing Business with Brazil	Hilton Hotel, W.1
Nov	5-8	Ind. and Com. Techniques: Fraud in Industry	Cafe Royal, W.1

THE WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not available whether dividends concerned are interims or finals. The subdivision shown below is based mainly on last year's time-table.

**TO-DAY
COMPANY MEETINGS—**

Kina. Mag'Edn 11.
Midland Educational, Birmingham, 245.
Morgantown, W. Va. 12.
Wm. 12.
Rough, Burton-on-Trent, 12.
E.C. 12's.
Western Canada Investment,
Edinburgh.

Clayton Dewand. D.
Lure L. 10.
Cloth (African) 1-4p
Cyde Conversion Tst. F.
Cohen (George), 800 G.
Cohen (George), 800 G.
Cody Valley Water Sg.
105pc
4pc Cons. Pl. 1 pc
4pc 197536
Sgt. 2-12p

Finals:

CuckooBank Robey Engaco U.S. and Walslow W. and Mono Cont. Inc. Tehidy Minerals Utley (William)	Concentric 0.7350 Concrete 6PCP 2.1pc Consolidated Gold Fields New L.A. \$2.6 Continental Industrial Union Est. Conversion L.A. 1.3pc Conversion S.H. 3.3pc Copper (Wendell) 0.63pc Copper Allman Ind. L.A. Coppercraft 1.4pc L.A.
--	---

DIVIDEND & INTEREST PAYMENTS
A.A.N. 4.2175p. 6pcPl. 2.1pc

[illegible]

Head Wrightson $4\frac{1}{2}$ pcPl. 1.575pc. 8pcPl. Ric
2 1pc Ric
Month (Sample: 6pcPl. 8 1pc

2.275Sec.	8pc	Herren Bedouin Lk. 54pc	21
5pc	8pc/pc	Herrmann (H.H.) 7pc/21. 2.45pc	22
7pc/pc.	5pc	Herrmann Brewery Ltd. 4pc	23
1.75pc.	1.5pc	Herrmann (H.H.) 7pc/21. 2.45pc	24
1.75pc.	1.5pc	Herrmann (H.H.) 7pc/21. 2.45pc	25
2.45	Db.	Herrmann (H.H.) 7pc/21. 2.45pc	26
3.835pc.	Db.	Herrmann (H.H.) 7pc/21. 2.45pc	27
1.875pc.	Db.	Herrmann (H.H.) 7pc/21. 2.45pc	28
1.822pc.	Db.	Herrmann (H.H.) 7pc/21. 2.45pc	29
Ord and A		Herrmann (H.H.) 7pc/21. 2.45pc	30
income 0.5p		Herrmann (H.H.) 7pc/21. 2.45pc	31
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	32
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	33
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	34
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	35
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	36
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	37
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	38
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	39
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	40
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	41
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	42
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	43
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	44
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	45
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	46
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	47
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	48
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	49
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	50
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	51
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	52
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	53
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	54
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	55
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	56
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	57
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	58
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	59
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	60
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	61
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	62
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	63
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	64
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	65
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	66
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	67
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	68
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	69
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	70
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	71
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	72
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	73
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	74
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	75
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	76
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	77
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	78
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	79
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	80
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	81
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	82
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	83
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	84
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	85
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	86
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	87
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	88
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	89
7.5pc.	4.4	Herrmann (H.H.) 7pc/21. 2.45pc	

Cardiff & Counties Prop.,
Cardiff Malting, 0.7p.

23.50
 24.00
 24.50
 25.00
 25.50
 26.00
 26.50
 27.00
 27.50
 28.00
 28.50
 29.00
 29.50
 30.00
 30.50
 31.00
 31.50
 32.00
 32.50
 33.00
 33.50
 34.00
 34.50
 35.00
 35.50
 36.00
 36.50
 37.00
 37.50
 38.00
 38.50
 39.00
 39.50
 40.00
 40.50
 41.00
 41.50
 42.00
 42.50
 43.00
 43.50
 44.00
 44.50
 45.00
 45.50
 46.00
 46.50
 47.00
 47.50
 48.00
 48.50
 49.00
 49.50
 50.00
 50.50
 51.00
 51.50
 52.00
 52.50
 53.00
 53.50
 54.00
 54.50
 55.00
 55.50
 56.00
 56.50
 57.00
 57.50
 58.00
 58.50
 59.00
 59.50
 60.00
 60.50
 61.00
 61.50
 62.00
 62.50
 63.00
 63.50
 64.00
 64.50
 65.00
 65.50
 66.00
 66.50
 67.00
 67.50
 68.00
 68.50
 69.00
 69.50
 70.00
 70.50
 71.00
 71.50
 72.00
 72.50
 73.00
 73.50
 74.00
 74.50
 75.00
 75.50
 76.00
 76.50
 77.00
 77.50
 78.00
 78.50
 79.00
 79.50
 80.00
 80.50
 81.00
 81.50
 82.00
 82.50
 83.00
 83.50
 84.00
 84.50
 85.00
 85.50
 86.00
 86.50
 87.00
 87.50
 88.00
 88.50
 89.00
 89.50
 90.00
 90.50
 91.00
 91.50
 92.00
 92.50
 93.00
 93.50
 94.00
 94.50
 95.00
 95.50
 96.00
 96.50
 97.00
 97.50
 98.00
 98.50
 99.00
 99.50
 100.00
 100.50
 101.00
 101.50
 102.00
 102.50
 103.00
 103.50
 104.00
 104.50
 105.00
 105.50
 106.00
 106.50
 107.00
 107.50
 108.00
 108.50
 109.00
 109.50
 110.00
 110.50
 111.00
 111.50
 112.00
 112.50
 113.00
 113.50
 114.00
 114.50
 115.00
 115.50
 116.00
 116.50
 117.00
 117.50
 118.00
 118.50
 119.00
 119.50
 120.00
 120.50
 121.00
 121.50
 122.00
 122.50
 123.00
 123.50
 124.00
 124.50
 125.00
 125.50
 126.00
 126.50
 127.00
 127.50
 128.00
 128.50
 129.00
 129.50
 130.00
 130.50
 131.00
 131.50
 132.00
 132.50
 133.00
 133.50
 134.00
 134.50
 135.00
 135.50
 136.00
 136.50
 137.00
 137.50
 138.00
 138.50
 139.00
 139.50
 140.00
 140.50
 141.00
 141.50
 142.00
 142.50
 143.00
 143.50
 144.00
 144.50
 145.00
 145.50
 146.00
 146.50
 147.00
 147.50
 148.00
 148.50
 149.00
 149.50
 150.00
 150.50
 151.00
 151.50
 152.00
 152.50
 153.00
 153.50
 154.00
 154.50
 155.00
 155.50
 156.00
 156.50
 157.00
 157.50
 158.00
 158.50
 159.00
 159.50
 160.00
 160.50
 161.00
 161.50
 162.00
 162.50
 163.00
 163.50
 164.00
 164.50
 165.00
 165.50
 166.00
 166.50
 167.00
 167.50
 168.00
 168.50
 169.00
 169.50
 170.00
 170.50
 171.00
 171.50
 172.00
 172.50
 173.00
 173.50
 174.00
 174.50
 175.00
 175.50
 176.00
 176.50
 177.00
 177.50
 178.00
 178.50
 179.00
 179.50
 180.00
 180.50
 181.00
 181.50
 182.00
 182.50
 183.00
 183.50
 184.00
 184.50
 185.00
 185.50
 186.00
 186.50
 187.00
 187.50
 188.00
 188.50
 189.00
 189.50
 190.00
 190.50
 191.00
 191.50
 192.00
 192.50
 193.00
 193.50
 194.00
 194.50
 195.00
 195.50
 196.00
 196.50
 197.00
 197.50
 198.00
 198.50
 199.00
 199.50
 200.00
 200.50
 201.00
 201.50
 202.00
 202.50
 203.00
 203.50
 204.00
 204.50
 205.00
 205.50
 206.00
 206.50
 207.00
 207.50
 208.00
 208.50
 209.00
 209.50
 210.00
 210.50
 211.00
 211.50
 212.00
 212.50
 213.00
 213.50
 214.00
 214.50
 215.

505p. Manbre & Garton. 1.4p. Bonds Reg.
Moray & Nairn 83pc

[illegible]

NALGO urges new housing priorities

JOE RENNISON

CAL CHANGES in housing are urged in a document headed yesterday by the National and Local Government Association.

NALGO, many of whose members administer housing policy at local authorities, is distributed the document, "Housing way ahead," to the Government, the Opposition, MPs, government officials, housing associations and all those involved with housing.

NALGO hopes to have talks with the Government on its proposals with all those involved, including the Prime Minister.

NALGO recommends an exchange of views on the role for public sector housing, including statutory powers, surveys and the needs of tenants, and a comprehensive housing advisory service. It wants municipalisation of the private rented sector and a new system of control of housing rents and a national rent-setting formula based on covering the cost of housing while leaving local authorities flexibility in fixing individual rents.

Strict limitations on the use of housing price levels, which tax relief is available on mortgage interest payments called for, and the creation of a public land bank, preparatory to the public ownership of all undeveloped land, is suggested.

In presenting the document to the chairman of the working party, Mr. E. Ashton, chairman of NALGO's Housing Committee, said that it had been compiled to be impartial over the separate needs of all householders—public and private, tenant and owner-occupier—while working out the limits of producing a rent which would ensure the service aspect of housing.

The working party was set up after the union's 1972 annual conference, which opposed the Housing Finance Bill.

2nd International

MILAN—27-28-29-30 October 1973

the Milan fairgrounds—Pavilion 30—Piazza 6 Febbraio an international show of technical and sanitary orthopaedic—sanitary units—surgical instruments and installations—electro-physical physiotherapy equipment—corseory—sanitary articles for infants.

With a wide range of exhibits, the Show will offer a complete display of the production in this field.

meetings between exhibitors and buyers.

For information:
General Secretariat, INTERSAN—20123 MILANO
Via Nirone, 2/A—Tel. 862719/4156869

Complimentary admission tickets may be obtained at the
Reception of the Pavilion 30



**The Wheelock
Marden Group**

Mr. T. A. Dwyer, President

As a result of the sale of Wheelock Marden & Co. (London) Limited the Wheelock Marden Group will now be represented in the U.K. by Wheelock Marden (U.K.), which will also have its office at 16 Finsbury Circus. Mrs Sheila Gray has been appointed resident Director of Wheelock Marden (U.K.) Ltd.

mand for newsprint y lead to higher prices

INDUSTRIAL AND FOREIGN STAFF

LATING world newsprint is expected to be reflected in price increases over the next six months and Scandinavian mills, which are not yet fully operational, are expected to add to the supply. The major newsprint mills, which are not yet fully operational, are expected to add to the supply. The major newsprint mills, which are not yet fully operational, are expected to add to the supply.

In Finland, the last new paper machine was started up at the end of last year, and no further machine has been planned, largely due to depressed prices in the past four to five years. Even price increases in June and September 1 this year have failed to inject enthusiasm for investment, with the mills losing a great proportion of the increased revenue through depreciation of sterling.

DESPITE THE ferocity of Mr. Enoch Powell's renewed attack on the Government's immigration policy, Ministers will await the Conservative Party conference at Blackpool next week before giving a considered reply. The latest broadside comes at a particularly damaging time for the Government as it follows the highly critical report of the all-party Commons select committee on the educational aspects of immigration policy.

In Mr. Maudling's view, the only way to tackle the problems caused by immigration was to improve housing, education and the general standard of living of immigrants in order to remove many of the causes of their grievances. This was echoed in a BBC radio interview by Mrs. Shirley Williams, "shadow" Home Secretary, who agreed that the only answer was to allocate sufficient resources to the immigrant communities.

Powell: Ministers wait for conference

BY RICHARD EVANS, LOBBY CORRESPONDENT

مركز الأهرام

5

KIER CONTINUED GROWTH

FIVE YEAR RECORD					
Years ended 31st March	1969	1970	1971	1972	1973
Turnover	£'000 19,200	£'000 21,100	£'000 23,300	£'000 32,500	£'000 40,100
Profit before Tax	725	1,034	1,252	2,042	2,547
Profit after Tax	387	581	769	1,213	1,480
Earnings per Share	6.8p	8.7p	12.1p	19.2p	23.8p
Dividends per share (gross equivalent)	3.4p	4.2p	4.7p	6.3p	6.5p

Salient points from the review of the year to 31st March 1973, made by the Chairman, Mr. Olef Kier, C.B.E.

RESULTS The pre-tax Group Profit amounted to £2,547,000, before taking into account the exceptional items amounting to £295,000 after providing taxation thereon. The pre-tax Group Profit increased by 25 per cent. over that for the previous year, whilst Group Turnover at £40.1 million increased by 23 per cent.

DIVIDEND Under the Government's economic policy, there is a restriction on the amount by which the total of dividends for the year may be increased. The final dividend recommended by the directors is the maximum allowable at 2.84p per share which, with the interim already paid, amounts to 4.59p per share. These dividends are payable under the

Imputation System of Corporation Tax and the gross equivalent is 6.56p per share compared to 6.25p for the previous year.

PROPOSED MERGER Referring to the proposed merger with W. & C. French Limited, the chairman stated: Kier and French carry on in complementary spheres the business of civil engineering and building contractors. Both companies are increasing their building industry activity, for the main part in different geographical areas. Your Board have given due regard to the strong property potential of French and the Board of French have had regard to the successful overseas experience of Kier. On completion of the merger it is intended that the combined Group be called French Kier Holdings Limited. Your Board believes that the strength and resources of the combined Group will ensure excellent future prospects.

J. L. Kier & Company, Limited
Civil Engineering and Building Contractors
Copies of the Accounts and Chairman's Statement can be obtained from the Secretary
TEMPSFORD HALL, SANDY, BEDFORDSHIRE

United States consumption of newsprint is expected to rise to 10m. tons in 1973, from 9.5m. tons in 1972. Canadian production, 5.8m. tons, is expected to rise to 6.5m. tons in 1973, from 6m. tons in 1972. The U.S. market for newsprint is expected to rise to 15.5m. tons in 1973, from 15.5m. tons in 1972. The U.S. market for newsprint is expected to rise to 15.5m. tons in 1973, from 15.5m. tons in 1972.

Sweden, which produced 850,000 tonnes of newsprint in 1972, introduced one new machine this year with a capacity of 125,000 tonnes. Two others are due to come on stream in May and December next year. Nevertheless, the industry would welcome a slight cutback in pressure on production.

Net returns to Swedish mills, too, have been small and producers are likely to seek a price increase from about \$80 to a figure nearer \$110 at the end of the year. It is felt that this increase should be passed on by an increase in newspaper cover prices, which are considerably lower than in Continental countries.

Group attacks our takeover plans

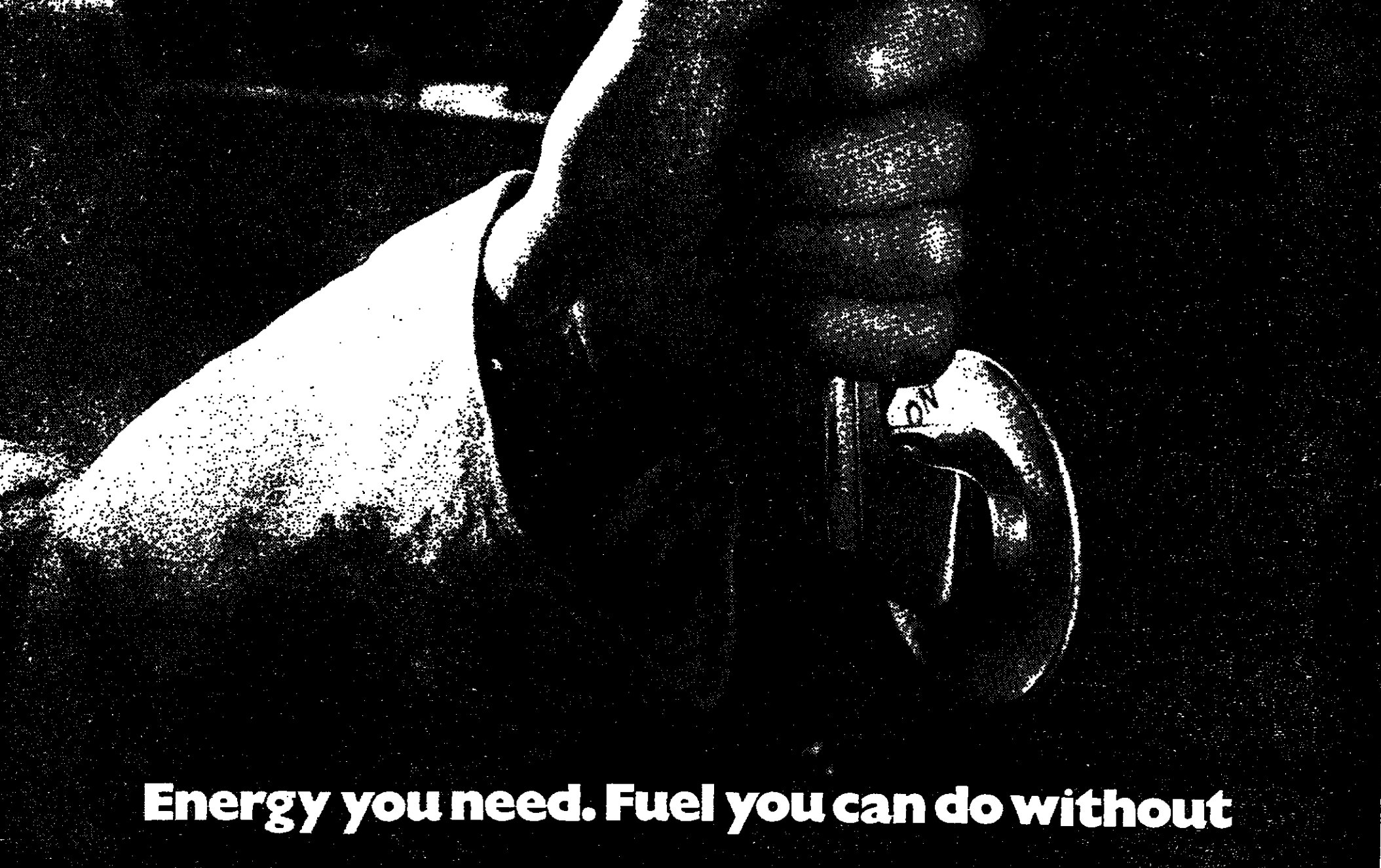
TIMES REPORTER

Party study group would be the taking of deposits and the holding of them on first mortgage. On insurance companies, the authors state that "the Labour Party should advocate a State Insurance Company (based on third party motor risks, which are the only compulsory forms of insurance) to prove its case in increased competition from State private companies."

2... should be linked id, says Lord Kahn

TIMES REPORTER

IDAL to link the special drawing which are really poor, whereas bilateral aid usually means help to countries in any of the world monetary colonies, with which donor countries have some special relationship. SDRs channelled through IDA would end up with industrial countries' central banks in proportion to the success of their manufacturers in securing the additional order from less developed countries financed by this aid.



Energy you need. Fuel you can do without

Nearly all the energy you need could come from the end of an electric cable. At the throw of a switch. Simple, safe, infinitely versatile electricity. It's modernising industry because it is proving more flexible, more sophisticated, more cost-effective. And a great deal cleaner and more convenient.

Electricity is instant, precise energy; ready to be used anywhere at any time. If you'd like to discover how you can capitalise on the convenience of electric power, pick up the phone and ask for your Electricity Board. There's an Industrial Sales Engineer ready and willing to help.

Electricity does industry a power of good

The Electricity Council, England and Wales.

OVERSEAS NEWS

Brandt leaves U.S. early to handle Ostpolitik row

BY MALCOLM RUTHERFORD

BONN, Sept. 30.

CHANCELLOR BRANDT cut short his visit to the U.S. today to handle Ostpolitik row. He is expected to return to Bonn tomorrow to face a row with the U.S. over the next round of foreign policy engagements which include talks with the Japanese Prime Minister, Mr. Tanaka, and at the end of the week with Mr. Edward Heath at Chequers. It is widely assumed, however, that his early return was also motivated by a row which has broken out within the Bonn Government over the current conduct of the Ostpolitik.

The row came to the surface with remarks by Herr Herbert Wehner, parliamentary chairman of the Social Democratic Party (SPD), who is at present in Moscow as a member of an all-party parliamentary delegation. In a series of interviews Herr Wehner said that Bonn's claim to represent West Berlin was being pressed too hard, and appeared to side with the Russians in agreeing that Moscow had already made as many concessions on the Berlin issue as could be reasonably expected.

The remarks are a direct criticism of Bonn's recent policy. In the past few weeks, the Gov-

ernment here has chosen to defer the establishment of diplomatic relations with Czechoslovakia, Hungary and Bulgaria rather than risk its claims to represent West Berlin being whittled away. In particular, Bonn has insisted that the U.S. should be able to represent West Berlin institutions as well as individuals. The East European countries, backed by Moscow, have said that the claim to represent institutions goes too far.

The 1971 Four Power agreement on Berlin is not clear on the subject. So far, however, it is notable that the three Western signatories, Britain, France and the U.S., have failed to come out in support of Bonn's position, though they have not formally been asked to do so. Allied diplomatic sources say this is a question which West Germany should sort out on its own.

The position now taken by Herr Wehner is believed to be supported in Cabinet by Herr Egon Bahr, Minister in Herr Brandt's office who negotiated the Eastern treaties. It was opposed both by Herr Brandt himself and by the Foreign Minister and leader of the coalition's junior partner, Herr Walter Scheel. But the Left-wing of the SPD could well come out on Herr Wehner's side. In general, however, Herr Wehner is under fire on two fronts: first for what he said and, second, for saying it in the Soviet Union. He is not due back from Moscow until Tuesday morning.

Talks at UN

Some clarification of the latest state of negotiations with the East may also come from Herr Scheel, who has had talks at the UN with Mr. Gromyko, the Soviet Foreign Minister, and other Eastern delegates. But Herr Scheel has gone on to Canada and will not be back for a day or two.

Herr Brandt, meanwhile, had week-end meetings in Washington with both President Nixon and Dr. Henry Kissinger. Main themes were possible U.S. troop cuts and the U.S.-European dialogue. Herr Brandt made it clear he would still like President Nixon to come to Europe this year if possible.

Italy puts up petrol prices

BY PETER TUMATI

ROME, Sept. 30.

THE ITALIAN Government has increased the price of petrol and of all petroleum products except fuel oil. The increase Lire23 per litre of petrol and Lire4 per litre of heating oil amounts to about 7p a gallon for petrol and just over 1p for heating oil.

The new price of premium grade petrol is Lire185 per litre and that of heating oil is Lire22 per litre. This means that the price of petrol in Italy has once again become the highest in Europe. Foreign tourists apparently will be able to go on buying petrol at a reduced rate. The bulk of the increase—Lire16.87 out of Lire23—will provide additional Government revenue as the manufacturing tax has been raised. The oil companies are to get Lire5.83 more per litre and petrol pump operators Lire1.50. It has been offi-

cially estimated that the additional Government revenue will amount to Lire310,000m. (about £206m.).

The measure is thoroughly unpopular. The unions claim that it will increase prices all round and cannot be reconciled with the Government's fight against inflation. Italian motorists will have to pay over 14 per cent. more for their petrol, households nearly 17 per cent. more to heat their homes this winter, while the oil companies claim that their share of the increase still does not suffice to cover the cost of crude oil and that they will go on losing money in Italy.

In the first nine months of this year petroleum supplies are stated to have cost about £130m. more than was realised from the sale of refined products in Italy.

Arab guerillas pleased by Austrian 'success'

BY HANAN HAJAZI

BEIRUT, Sept. 30.

FORCING THE Austrian results. The paper said it believed the Austrian decision to allow Jews to emigrate was the beginning of the world's "blackout". It particularly referred to current efforts by pro-Israeli Senators in the U.S. led by Senator Henry Jackson to make American trade facilities to the Russians dependent on Moscow's ending of all restrictions on Jewish emigration.

Although Arab officials have avoided direct comment on the subject, Arab state-controlled radios gave the news top coverage with special emphasis on the strong reaction the Austrian measure has evoked from Israel.

None of the known commando organisations has taken credit for the operation, but guerrilla information media were obviously happy, with the PLO's radio from Cairo, "Voice of the Palestinian Revolution" stressing the impact of the Austrian decision on the overall Israel plans to raise the population of the Jewish state in Palestine.

A newspaper here with commando connections, Al-Moharrer, today came out with a banner headline describing the guerrilla action in Vienna as the "most painful commando blow to Israel".

The leading Lebanese daily Al-Nahar thought the Austrian decision to end transit facilities for Soviet Jews so important that it devoted two front-page editorials to it.

One said the commandos have accomplished in a few hours what the Arab Governments had failed to do by diplomacy in months, an allusion to failure of Arab States to get Moscow to stop Jewish emigration to Israel.

In the second commentary, the newspaper said that although it did not approve of previous commando operations abroad because they were for purposes of show-off, it thought the Vienna action had produced effective

been Black September members. The paper said it believed the Austrian decision to allow Jews to emigrate was the beginning of the world's "blackout". It particularly referred to current efforts by pro-Israeli Senators in the U.S. led by Senator Henry Jackson to make American trade facilities to the Russians dependent on Moscow's ending of all restrictions on Jewish emigration.

Soviet view

Informed sources here believe the success of the Vienna operation may encourage the commandos to try to stop the emigration at the source, and this could be aimed directly at the Soviet Union.

Observers here are divided as to the Soviet Union's attitude regarding the Vienna action. Some believe the Russians may use it as an excuse to reimpose a total embargo on Jewish emigration to Israel. Others, however, see Moscow in a dilemma with the Soviet concern rising about the possibility that the next commando action would be aimed at the Russians directly.

"The Eagles of Palestine Revolution," the group to which the two Arab gunmen who carried out the Vienna operation said they belonged, is not known in the Arab world. It is believed this was just a code name for the operation itself.

Observers recall that the Black September organisation had earlier this year indicated its intention to interfere with the flow of Soviet Jews to Israel. This came in the wake of the September organisation's arrest and subsequent deportation by the Austrian authorities of three Arabs in January. The three men were said to have been Black September members.

planning to attack the carrying Soviet Jews from Soviet Union.

Observers also believe an Austrian decision to discontinue transit facilities to Soviet Jew emigrants presents Israel with a serious problem. The observer said other European countries will be reluctant to repeat Austria in extending the facilities for fear that this will make them targets to commando attacks.

Our Tel Aviv correspondent writes: Less than six hours after the conclusion of a midday Cabinet session called to consider the demands of two Arab guerillas, Israeli Minister Golda Meir left by train for Strasbourg.

It is expected that her speech there before the Council of Europe will emphasise the Austrian Chancellor's undertaking to the guerillas to take the transit camp for Soviet Jews closed down.

Our Vienna correspondent writes: Austria's Chancellor Bruno Kreisky has defended concessions to the Arab terrorists with the argument that the saving of human lives had his uppermost concern. He assured the Austrians and the rest of the world that Austria would continue to fulfil its humanitarian role. Asylum to every individual needing it was the argument. But it was shown that Austria could no longer assist organised emigration to a third country. "We cannot allow Austria to become a secondary battlefield in the Arab-Israeli conflict," Chancellor declared.

Agnew's counter-attack expected to continue

BY ADRIAN DICKS

WASHINGTON, September 30.

VICE-PRESIDENT Spiro Agnew is expected, after he returns to Washington tomorrow, to try to press home the vigorous political counter-attack that he launched in Los Angeles over the week-end against what he alleges has been a campaign to drive him from office.

Although politically isolated, Mr. Agnew has managed to remind the political world that within his own conservative section in the Republican Party, he can still count on a good deal of support.

In the light of the grave charges hanging over him, and the almost unanimous Press judgment that he ought to step down rather than leave the nation exposed to the risk of having a vice-president involved in criminal proceedings, this may seem a surprising state of affairs.

In itself, the enthusiastic reception Mr. Agnew's fighting speech won from the National Federation of Republican Women was less surprising although they appeared willing to believe any

evil of the Department of Justice and, by implication, of President Nixon's carefully chosen Attorney General, Mr. Elliot Richardson.

The audience cheered Mr. Agnew when he accused the Department and the head of its criminal division, Mr. Henry Petersen, of trying to recoup its dismal reputation over Watergate at his expense.

Mr. Richardson last night issued a statement rebuking the Vice-President for attacking Mr. Petersen and stating that the Attorney General himself accepted full responsibility for the conduct of his department.

Although he is said now to estimate his chances of winning the 1976 Presidential nomination "as just about zero," some political commentators here still feel it may be too soon to write Mr. Agnew off completely. His insistence that he will not resign, even if he is indicted on the charges against him, has temporarily at least silenced the speculation here about which senior Republican figure Mr. Nixon would like to be his new Vice-President.

Turks find oil near border with Bulgaria

By Metin Munir

ANKARA, Sept. 30.

THE STATE-OWNED Turkish petroleum company (TPAO) has struck oil in European Turkey, company sources said today. The well is in Tracie in the province of Kizilirmak, less than 50 miles from the Bulgarian border and is estimated to be capable of producing at a rate of 1,200 barrels of crude per day.

It was the first time that oil, which can be exploited commercially, has been discovered in European Turkey. The well was in the exploration concession area of Shell which abandoned it when it failed to strike oil, the TPAO sources said.

Turkish imports of crude went up by about 40 per cent. in the first six months of this year, compared with the same period last year to reach 4.5m. tonnes. Domestic output in the same period declined by about 1.5 per cent. to 1.6m. tonnes.

African countries plan joint position on EEC

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

TRADE MINISTERS from independent African countries are assembling in Dar es Salaam, the Tanzanian capital, today in preparation for this week's crucial meeting to work out the details of a common African approach to the European Community.

Negotiations to determine the future of association between a large chunk of the developing world and the EEC are due to take place in Brussels on October 17. Those meeting in Dar es Salaam are Ministers and officials from the existing associates, the African Commonwealth "associable" states and observers from the associate Commonwealth Caribbean and Pacific Ocean countries.

This week's meeting was planned last July, following the formal opening of negotiations between 41 developing States and the Nine in Brussels. Then, the African States (backed by the Caribbean and Pacific Ocean countries) achieved a remarkable degree of unity in laying down agreed principles for a "new deal" from Europe.

The main task for the Ministers this week will be to determine whether they can maintain this unity as they attempt to hammer out the details of not yet the final print of a "negotiating mandate". The main points of difference in the past have been between a number of existing associates

—notably Senegal and Ivory Coast—who would prefer to see the principle of reciprocity enshrined in the present Yaoundé Convention continued in the future; and those Commonwealth states, led by Nigeria but supported by East African countries and others, who want to see the abolition of all ideas of reciprocity between developed and developing States.

It is not yet clear how far these differences will be pushed at this meeting, although observers note that since the common front presented by all the African states in July, there has been something of a "franco-phone backlash" with the Niger President, for example, declaring a few days ago that he believed a common front was premature.

Soviet grain offer to India 'generous'

By K. K. Sharma

NEW DELHI, Sept. 30.

SOVIET COMMUNIST Party secretary Brezhnev's dramatic offer of "A loan" of 2m. tonnes of food grain, which India's Premier Mrs. Indira Gandhi has accepted with alacrity, is seen here as a generous gesture with considerable economic and political significance.

It comes at a time when Mrs. Gandhi's image has been severely tarnished by food shortages and riots. Shipping arrangements for the 2m. tonnes, which includes a "certain amount of rice," are now to be worked out but it is unlikely that the grain will arrive inside two months. However, the announcement of the offer and the statement that it is available immediately will undoubtedly have an important psychological effect on the market. With the prospect of an inflow of 2m. tonnes taken together with the high probability of a good summer harvest, traders and farmers who have been holding back supplies in the hope of higher prices can be expected to unload stocks and thus improve availability and arrest the rise in food prices.

Since the grain is a loan it will also mean that no further burden is placed on India's foreign exchange reserves.

Baghdad gets back to normal

BY HANAN HAJAZI

BEIRUT, Sept. 30.

LIFE IS now getting back to normal in Baghdad after the authorities Saturday lifted the curfew which had been imposed the day before for security reasons.

Travellers from the Iraqi capital arriving here yesterday said they had not noticed any unusual movement by the authorities. Baghdad Airport, which had been closed to international flights on Friday, has reopened to normal traffic.

The Iraqi authorities, however, have remained quiet about the outcome of the security sweep in the capital and its suburbs which had been aimed at apprehending members of a gang that had committed a number of brutal murders since early this month.

The Government had given the impression the crimes were Bar, understood, must have been committed by the regime's followers of Colonel Nazem Al-Kassar, the former second chief who was executed with one of his men in July after saving of his arrest, or throw the regime of President Ahmed Hassan Al-Baker.

According to these reports, members of the gang have been dubbed as "Black Mas" because they wore such a mask when they carried out crimes. The murderers were said to have used axes when attacking their victims and in dismembering their bodies.

Meanwhile, Iraq to defend its project for build a new oil pipeline to the Turk Mediterranean coast against Syrian criticism.

Chile junta freezes pay

SANTIAGO, Sept. 30.

WAGES THROUGHOUT Chile were temporarily frozen today by the ruling military junta, dashing the hopes of millions of workers who were looking forward to increases next month to offset the soaring cost of living.

The four-man junta, which seized power almost three weeks ago in a bloody coup which led to the death of Left-wing President Salvador Allende, ordered the freeze because of what it described as the "economic stagnation" of the country.

Under measures adopted during Dr. Allende's three-year experiment in socialism, workers were to receive—on October 1—an increase equivalent to the rise in retail prices during the previous 12 months. Workers had already been given a 60 per cent. advance in increase in May. But according to unofficial estimates the cost of living since October last year has

risen by more than 300 per cent. Announcing the freeze in a nationwide radio broadcast last night, Treasury Minister Lorenzo Gortuzzo said it would remain in force until economic studies ordered by the junta were completed.

KAUNDA TO DISSOLVE PARLIAMENT

By Ruth Weiss

LUSAKA, Sept. 30.

President Kaunda, speaking at a huge rally in the copper-belt town of Kitwe, said today that he would dissolve Parliament tomorrow and would shortly announce the date of the first general election to be held under the new one-party constitution.

An editorial in the semi-official daily Al-Thawra said the project was part of the Government's policy of national development of the country's resources. The editorial, which was quoted by Baghdad Rad said criticism of the pipeline was part of an imperialist design to undermine Iraq's national experience.

Articles in the State-controlled Damascus Press last week claimed the projected 1,0 kilometre \$375m. pipeline in Iraq's northern fields to Turkish coast, will eventually be used to replace the current trans-Syria pipeline carry Iraqi crude to Syrian terminus on the Mediterranean.

Observers here see the armament turning into a renewed psychological warfare between the two rival factions of the Baath Party which rules Syria and Iraq.

2 OCTOBER, 1973.

E-DAY.

Next Tuesday is Europa Day. The day when a totally new publication is published for the first time.

Europa is the first truly European newspaper, written by Europeans, for Europeans.

Published monthly (on the first Tuesday of each month) and simultaneously with Le Monde (Paris), La Stampa (Turin), The Times (London), and Die Welt (Hamburg), Europa will deal with economic, financial and industrial affairs, and allied social questions, as they affect the total European business community.

Each version will carry the same editorial, in the language of its country of publication.

Europa will be written by the most respected writers in Europe, contributors with profound, first-hand knowledge of their country and their particular subject.

Articles in each issue will be up-to-date, being written and translated immediately prior to the Tuesday of publication.

Altogether, Europa is essential reading for senior executives, leaders in government, and men of influence in the public life of Europe today.

There will be no extra charge for Europa.

Make sure of the first issue by ordering The Times this Tuesday.

It's a day when European history will not only be made, but written.

And every true European will read it.

The first truly European newspaper.

EUROPE
UNDER
THE
EYE
OF
EUROPE

This announcement appears as a matter of record only.

\$60,000,000

United Brands Company

Ten-Year Eurodollar Loan

This financing has been arranged for the Company and a wholly-owned subsidiary by

Goldman Sachs International Corp. Bankers Trust Company

The Dai-ichi Kangyo Bank Limited

Franklin National Bank

Pain, Webber, Jackson & Curtis
International S.A.

with funds provided by

Bankers Trust Company

The Chuo Trust & Banking Co. Limited

Crocker National Bank

The Dai-ichi Kangyo Bank Limited

The Daiwa Bank Limited

Franklin National Bank

Fidelity Bank

The Kyowa Bank Limited

London Multinational Bank (Underwriters)
Limited

Marine Midland Bank

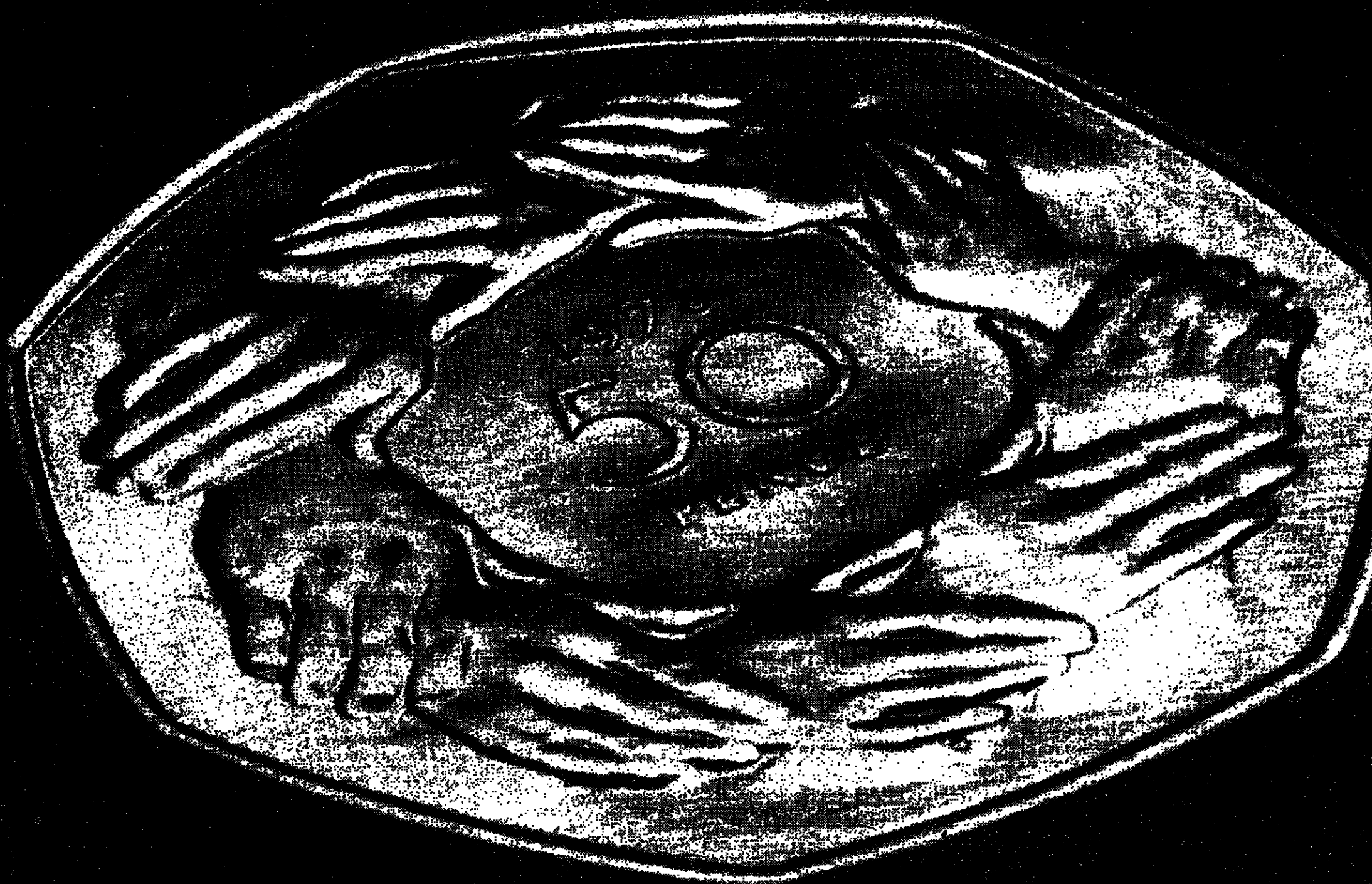
National Newark & Essex Bank

New England Merchants Bank

The Nippon Fudoshan Bank Limited

September 27, 1973

مركز الأمل

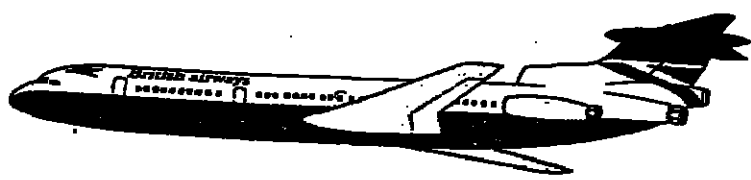


Now there's British Airways with
480 flights a week in the Common Market.

Now you've got the choice of 17
flights a week to Rome, 23 flights a week to
Frankfurt, 6 to Luxembourg and 100
to Paris. Your travel agent can tell you more.

Now there's British Airways,
a worldwide airline with people who are
famous for the care and efficient service
they give you.

Now the world is yours.



**British
airways**

The best of BEA and BOAC

October Top Secretary

The Agency game—
What's in it for you?

ALSO IN THIS ISSUE
HOW BOSSES LOSE THEIR
SECRETARIES
TEACHING TOMORROW'S
SECRETARIES
WASHINGTON'S SOCIAL
SECRETARIES

**IT'S ALL IN
TOP SECRETARY NOW
ON SALE AT ALL GOOD
NEWSAGENTS**

AT LAST, the Sydney Opera House is open and functioning. By the time the Queen arrives to perform the official ceremony at this \$A100m. complex of concrete, opera hall, proscenium and minor theatres, it will be an anti-climax, with the release of thousands of pigeons, balloons and ballyhoos.

The architect whose drawings, made 20 years ago, inspired this monument, Mr. Jörn Utzon, has lost interest in the project. Ever since his parabolic patterns became the basis for the design that presented the world with major building problems and rewarded it with a lot of new building technology, he has refused to announce the child of his creation.

But Utzon's plan broke much new ground. He contrived a building that really has no front, back or sides, but one which can be viewed with pleasure from any angle. It can be seen and enjoyed in its entirety from any of the Gothic cathedrals of England, in small bits from the parks and surrounding city streets.

Inside this free-flowing pattern of shells, the builders have made a series of halls that, while amine in themselves, are a little off the ground in theatre design. The opera hall is still limited by a stage and proscenium arch covered by John Olsen's \$A100,000 curtain (at present, the curtain hangs and doesn't fly properly).



banished to the smaller theatre with a seating capacity of 1,500, no larger than the old theatre that the company had been using in Sydney. The concert hall, with its capacity of 2,800, will go to orchestras and recitalists. Other artists have complained about everything from the changing rooms to toilets that either did not work or collapsed underneath them. These problems have been partially overcome, and as the Sydney Morning Herald reported last week:

Before the opening, many new problems presented themselves, mostly in connection with the facilities, or lack of them, for artists. No car park was considered until late in the day, and none exists. The plans for one under a nearby park were scuttled by the bylaws.

we're scotched by the thousands of dollars in damage charge," Mr. Davis - Hughes charged. "I've wasted \$430m. on the building by pulling things down and rebuilding "in an old-fashioned way." This had also delayed the project by two or three years, Utzon claimed.

Utzon's resignation, in 1968, came during one of the periods

of criticism of the mounting costs. Utzon did not do any of the original estimates, which he says were unrealistic, and was resisting alterations proposed by Mr. Davis Hughes and which Utzon felt would spoil the early years' work already done. Utzon says that the job as it now stands substantiates his argument.

Mr. Davis Hughes, for his part, stated that Mr. Utzon had described the Opera House as "a symphony, and if he had continued, it would be an unfinished symphony."

Whatever the merit of these arguments, the fact remains that the opera stage has its limitations and that really grand opera will not be possible within its confines. Even the adequacy of the orchestra pit is in question; that there are, at last, less than 100 seats for the orchestra, which orchestras and artists can play without the interruptions of fire engines and traffic noise. More and more foreign orchestras are being invited—and wanting to come—in spite of the distance and cost.

But somehow all the criticisms, all the controversy and all the delays are not important now. In Sydney to-day there is elation that the building is there, and functioning.

The name, the Sydney Opera House, has proved to be a misnomer, for this is to be the home of theatre, chamber music, opera, ballet, and even some light music. The restaurant's are also among the world's most expensive for what they offer.

music and other art forms as well as symphonic concerts and opera. It will also be the venue for pop stars like Rolf Harris, Dave Allen and the like, many of whom have been lined up for a series of special Sunday night concerts. And not even the prohibitive prices will use the opera house as well as those who may not be able to afford it is almost tangible. It was summed up by the man in the lift who, overhearing a fellow journalist declare that he liked it, turned as the doors opened and said: "So do I—it's bloody marvellous."

More Offices In Japan Than Any Other Bank

Offices In All The World's Principal Financial Centers

Total Assets
More Than \$16,000 Million

**THE
TAIYO KOBE BANK,
LTD.**

One of the world's largest banks
Formed by a merger of Bank of Kobe and Taiyo Bank
October 1, 1973

TAIYO KOBE BANK is prepared to help you in every way that a bank can help. We have an enormous wealth of experience in banking matters. Experience in scope, and experience in depth. Most important, we have a fresh, ambitious start. A youthful attitude. And a desire to help all of our customers, old and new. We give you more than a new name. We give you more than a new bank. We give you a better way to do international business.



TAIYO KOBE BANK

Head Office: Kobe, Japan
 Overseas Offices: New York, London, Los Angeles, Hamburg, Sydney, Hong Kong
 Offices to Open Shortly: Seattle, São Paulo

Constitution Act row in Ulster

BY OUR OWN CORRESPONDENT BELFAST, Sept. 30.

A ROW seems certain at the next meeting of the Northern Ireland Assembly on October 15 over a proposal that there should be no form of prayers before sessions of the Assembly. The proposal is included in the report of the Standing Orders Committee to be presented to the Assembly.

The idea of having no prayers came from Mr. Ivan Cooper, of the Social Democratic and Labour Party, after the Rev. Ian Paisley had failed to get Unionist support for a proposal to have a blessing for the Queen included in prayers before Assembly meetings.

The report is part of a growing political momentum towards the formation of an Ulster Executive. The three parties willing to take part, Unionists, SDLP and Alliance, will meet on Friday for talks.

"Secret army" **BOROUGH FIRE**
These developments have led **LOANS SCHEME**

to an increasingly militant reaction from Loyalists opposed to the idea of such an executive.

Mr. William Craig, in a week-end speech, said that if the Constitution Act, which sets up the Assembly, was the price of peace then war was preferable, and if it was the price of

Lewisham council, London, is to set aside £25,000 this year for fire insurance loans to owners of small hotels and boarding houses, subject to Home Office approval.

The loans, normally of not less than £250, will be charged at 1 per cent above the lower rate fixed by the Public Works Loan Board.

ANNUAL STATEMENTS

McLEOD RUSSEL & CO., LIMITED

Points from the circulated Review by the Chairman, Sir John Brown, for the year ended 31st March 1973.

Profits and Dividends

The profits of the Group as constituted prior to the Namdang merger, were charging taxation but after depreciation and interest, were £143,540 against the previous year's figure of £20,076. The Group profit after taxation amounted to £774,440, as forecast, the Directors are recommending the payment of a dividend of 3.5% on the Ordinary Shares in issue at 31st March, 1973, absorbing £28,586. (This is equivalent to the gross dividend of 5% last year.)

In the profit forecast for the McLeod Russel Group as then constituted incorporated in the Namdang Order document it was stated that a recovery in tea profits was expected and that, apart from Brenchley & Company Limited, each of the UK subsidiaries would show a profit. This turned out to be the case although, due to the fact that tea auction prices held up very well in the latter part of the season, tea profits were somewhat higher than forecast and an improvement in the performance of the UK subsidiaries largely offset the Brenchley loss.

Sale of Estates'

I am happy to be able to confirm that at long last the formalities in connection with the sale of the Bhatpara and Mechpara Estates of The Imperial Tea Company Limited have been completed. Out of the adjusted sale price of Rs.34 lakhs or, say, £179,000 a total of Rs.19 lakhs had been received by 31st December, 1972 and the balance of Rs.15 lakhs is receivable in instalments by 15th December, 1974.

Prospects

The merger with The Namdang Tea Company, Limited has changed to a substantial extent the spread of the enlarged Group's assets as between India and the U.K. and should reduce the hitherto virtual total dependence on tea earnings from India. These must nevertheless for some years to come remain of considerable importance.

Crops in Assam, to date show a further increase over the corresponding figures of a year ago and this should serve to help in containing costs. Prices to date are in some cases disappointing although the average overall should again show an increase. In the Dooars district of West Bengal crops are behind those of a year ago due to a prolonged drought in the winter followed by excessive rain in May and June, 1973 and rising costs, combined with the present disappointing trend in Calcutta prices for Dooars teas will almost inevitably result in a less satisfactory return from these assets.

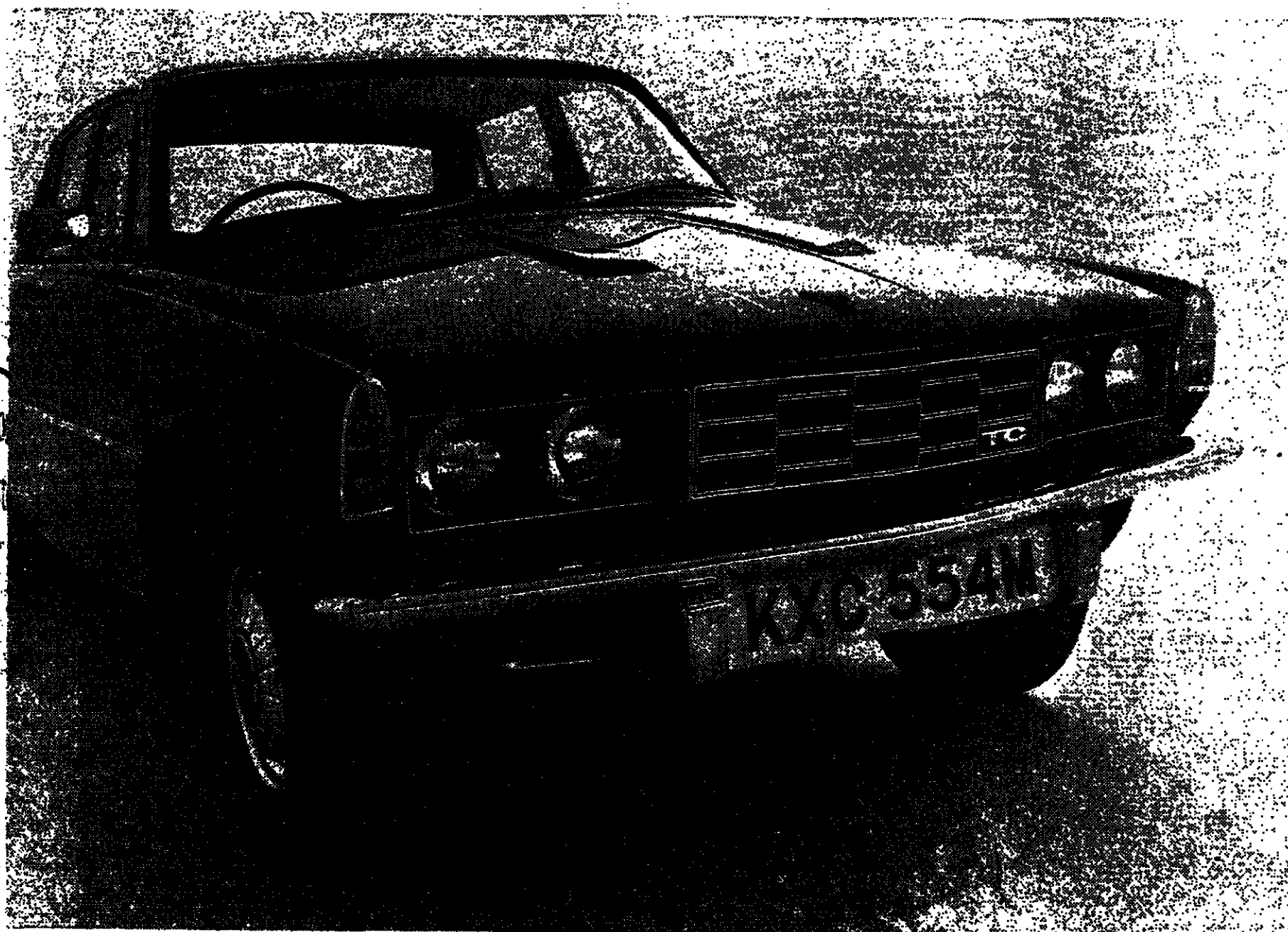
Looking to the longer term future for tea it is disappointing to have to record yet again that virtually no progress appears to have been made internationally towards achieving the increased off-take which is necessary to absorb the continually increasing crops. Present efforts at international export regulation are ineffective in ensuring an adequate price for tea and are, in any case, no satisfactory long term substitute for wide scale promotion of its sale as a beverage to an expanding world.

The troubles which beset the installation of the new gravure printing unit at Branchley & Company Limited have been overcome and this is now operating satisfactorily with a reasonable order book. Our packaging subsidiaries in the Manchester area and our small steel stockholding unit at Hayes, Kent are also operating satisfactorily and are in a position to benefit from the conditions of increased business activity.

The current year's accounts will reflect a profit arising from the property dealing transaction estimated at approximately \$440,000 before taxation, referred to in Sir Owain Jenkins' letter contained in the merger documents. Investment income otherwise should be maintained at a satisfactory level so that overall Group profits will reflect an increase over the combined annual profits of McLeod Russel & Co. and The Namdang Tea Company.

THE NEW ROVER 2200

More powerful, more comfortable, even quieter.
But still playing it safe.

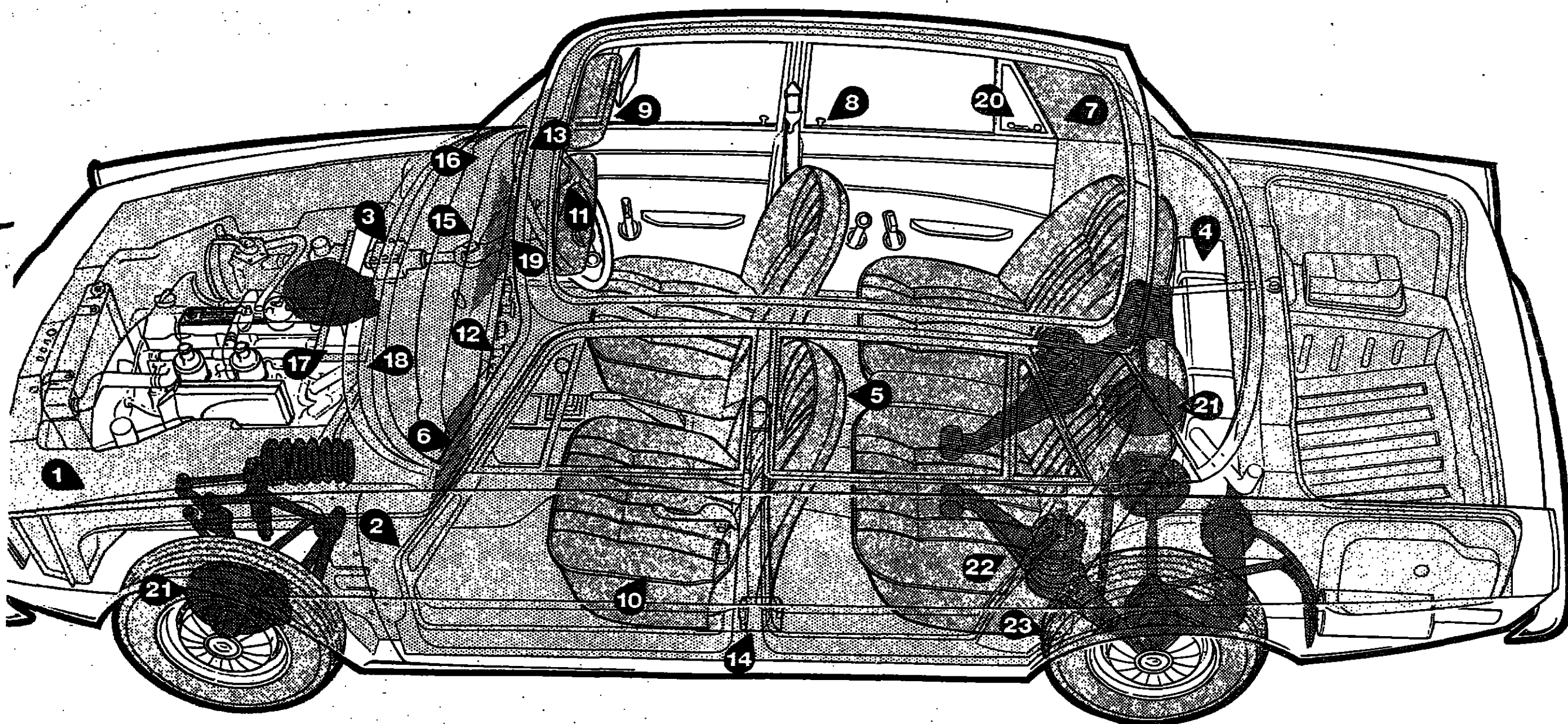


There is a lot that's new on the new Rover 2200. The engine has grown to 2,200 cc, giving both the SC and TC more power, and both models now run on 4-star petrol. We've looked at the rear suspension, and fitted large-bore shock absorbers and up-rated the springs. Rubber mountings on the rear suspension, more sound proofing, and a modified exhaust system make the 2200 even quieter. There's a longer gearstick, a re-designed interior mirror, and a new exterior mirror mounted on the door. The petrol tank is bigger, and the clutch is stronger. We've also given the 2200 the handsome box-pleated seats of the 3500S trimmed in Bri-Nylon. Back seat passengers have more leg room. And a heated rear window comes as standard.

Look at this list of improvements, and one thing stands out. The introduction of the more powerful engine has been matched with traditional Rover thoroughness by related improvements throughout the whole car.

None of the 23 design points which helped Rover win the first-ever AA gold medal for safety has been altered on the 2200. But today the list would be even longer.

The Rover 2200 TC. 0-60 mph in 8.04 seconds. At 26 mpg touring consumption the new 15 gallon tank gives a range of 390 miles.



New box-pleated seats are faced in non-slip corded Bri-Nylon.

Structural safety. 1. Passengers protected by steel cage to resist impact distortion. 2. Steel bulkhead prevents engine penetrating passenger compartment in collision. 3. Steering box mounted high behind engine to prevent steering column being thrust back on impact. 4. Fuel tank within main structure but separated from passengers by steel bulkhead.

Interior safety. 5. Impact-absorbing seat backs protect rear passengers if they're thrown forward. 6. Padded glove lockers collapse on impact. 7. Resilient padding on roof and rear quarter panels. 8. Anti-burst locks on all doors. 9. Padded and collapsible sun vizors. 10. Orthopaedically designed seats for proper support. 11. Dished and adjustable steering wheel. 12. Switches designed to minimise injury. 13. Interior mirror with protective frame and break-off stem. 14. Inertia reel belts on front seats.

Aids to better driving. 15. Instruments mounted close to normal line of vision for minimal refocussing from road to panel. 16. Hand brake and low brake fluid warning light.

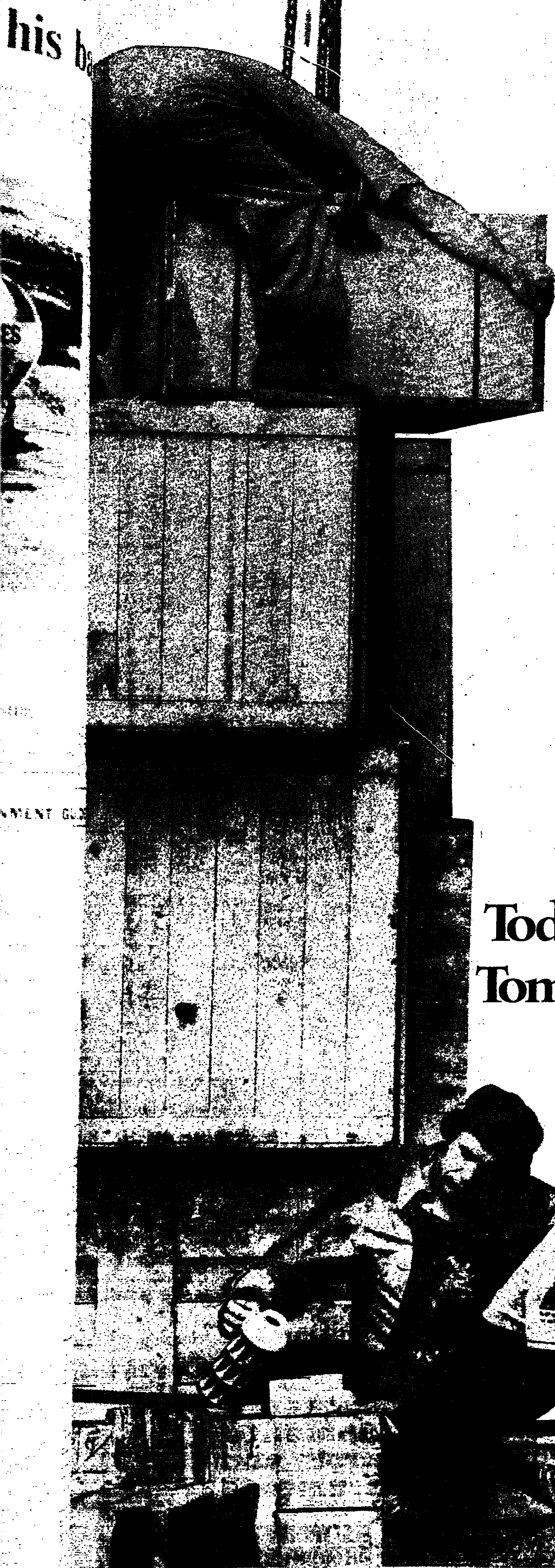
Advanced ventilation. 17. Sophisticated ventilation system prevents drowsiness. 18. Air intake well above exhaust level of other traffic. 19. Face level fresh air ducts. 20. Opening rear quarter vents.

Road level surety. 21. Servo disc brakes on all four wheels. 22. De Dion rear suspension for surer cornering, greater stability. 23. Radial ply tyres fitted as standard.



Rover





One day, a man's an asset to your company. The next, a wayward packing case could cause a serious injury which would cost you thousands.

£76,000 is the highest injuries award ordered by the British courts. So far.

Of course, you're covered. You have to be. But how can money compensate for loss of life and limb?

We could tell you some stories that'll make you think.

Take the case of the sheet metal factory in the Midlands.

In only 7 months, five employees sustained serious hand and finger injuries.

Last year, Commercial Union experts carried out a thorough survey and made eighteen specific recommendations, which the factory immediately put into effect. There has not been a single serious injury since then.

We are one of Britain's largest insurance companies and we handle just about everything with the help of our specialist teams. For instance, we have 128 fire prevention experts to call on. Not to mention 253 trained engineers, over 60 motor engineering experts, a Group metallurgist and a crime prevention squad.

We have offices in all the major UK centres, which means that you get swift, personal attention.

Ask your insurance broker about us, before tomorrow comes.

The future of your employees could depend on it.

**Today you pay him £35 a week.
Tomorrow it could be £100,000.**



Commercial Union
We'll see you better protected



The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHROEDERS

TRANSPORT

Plastics absorb the shocks

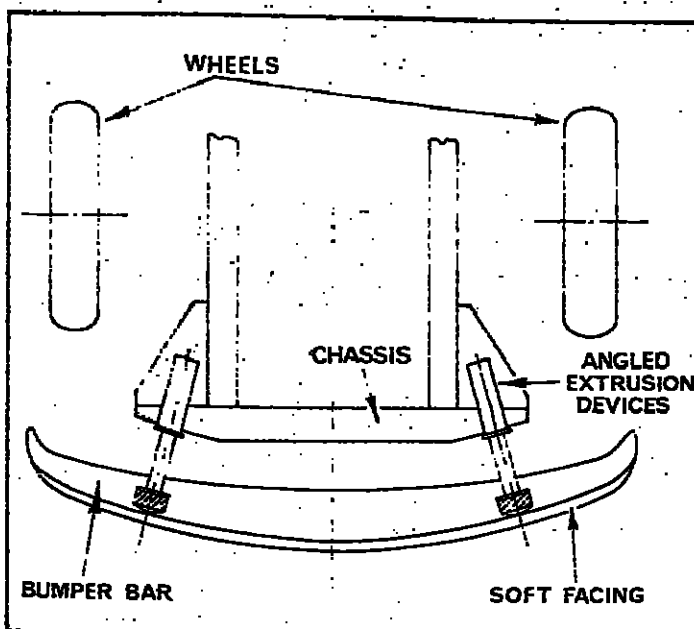
IF A PLASTIC cartridge is squeezed by collision impact through a suitable aperture, large amounts of kinetic energy can be dissipated in a controlled manner. This discovery, based on years of work on metal extrusion by Imperial Metal Industries, Birmingham, is being applied by the latter in an energy-absorbing mounting for a vehicle bumper.

The plastic cartridge is enclosed in a ram, two of which are shown in the diagram, holding the bumper.

The ram, one end of which is attached to the bumper under impact will move on impact and extrude the plastic from the annular die forming the mouth of the container.

Advanced versions have been designed to meet legislative requirements such as those which have recently come into force in the U.S. These demand that after low speed impacts, the system shall be recoverable: that is, that the bumper must return to its normal position. In the IMI design, the recovery and extrusion phases follow in sequence.

During a low speed impact up to 5 m.p.h., the plastic cartridge deforms in a barrelling mode and subsequently recovers its shape. At higher impact speeds, the cartridge is extruded to



absorb large amounts of kinetic energy by deformation and displacement. During the design stage, it is possible to tailor impact-absorption devices to suit the specific impact levels, decelerations, and displacements which may be specified by vehicle designers or road safety legislators. Performance variations, based on technical data already

amassed, are achieved by the alteration of various parameters including component design, cartridge formulation and pre-treatment, and the judicious choice of extrusion ratio and die geometry.

Once the design of an energy-absorbing bumper mounting has been optimised for a particular vehicle, it is important to ensure that the associated bumper

assembly is efficiently designed. A strong bumper bar is essential in order to transmit the impact forces via the energy-absorption devices to the vehicle structure. Some soft facing may also be added to provide partial recovery of the system, as well as some protection for pedestrians.

Development work on energy-absorption devices was started at IMI some two years ago, and success with this work led to the recent award of a jointly financed development contract by the Department of the Environment's Transport and Road Research Laboratory.

Findings to date suggest that extrusion may well prove to be the most cost-effective method of energy-absorption, largely because of the simplicity of the hardware, which also ensures a high degree of reliability in service. In addition to bumper mountings, simple devices based on the extrusion principle can be made for use in crash barriers, seat-belt linkages and other safety devices in transport, marine, military, and industrial applications.

IMI already has patent coverage for its designs, and is now in a position to undertake design and development of energy-absorbing bumper systems in collaboration with vehicle manufacturers.

carbohydrates. Long-term laboratory tests (50 days) with sodium hydroxide, hydrochloric, nitric and sulphuric acids, resulted in a slight surface yellowing—but only when 75 per cent sulphuric acid was used. Concentrated sulphuric acid also changes the surface to a light brown but the porosity is unaffected in either direction.

Looks like velvet

A DECORATIVE material is to be marketed under the name "Velvet" throughout Europe by Imperial Chemical Industries. The material has a pile which gives it an appearance similar to velvet or plush fabric.

On a paper base, it has a warm feel, comes in a wide range of fashionable colours and can be embossed, foil-blocked or printed.

ICI says many applications lie in packaging, particularly for the "de-luxe" areas. Other uses suggested are in the educational field as a craft material and also for toys, games and lampshades.

Its non-slip property makes it an alternative to felt or cork for the underside of desk equipment and table mats.

RESEARCH

Major study of traffic statistics

SIA has won a contract worth more than £20,000 from the Department of the Environment's Directorate of Statistics for the processing of the massive 1972 National Travel Survey.

This five-yearly survey is intended to provide a major source of basic household, individual, vehicle and trip making data for research men and planners. The DOE intends to publish a number of the resulting tabulations, but the survey will also form a data base for future research and investigation in the transportation area.

The survey was based upon a national stratified random sample of about 6,000 households. Data to classify the household, details of each household member, each motor vehicle in the household, and finally each trip made over a one week period by each member over the age of three were collected by interview. These four types of questionnaire contained about 200 questions in all.

Approximately 70 cards of data were collected for each household varying on the

POWER



John Laing Construction has now completed well over half of £40m. worth of civil engineering and building works for the Grain Power Station on the Isle of Grain near Rochester, Kent. Grain is the largest oil-fired station to be built in Europe and, when fully commissioned, will have a total capacity of 3,300 MW from five generator sets, each

of 660 MW. Work is now in progress on the main foundations, chimney superstructure, 400-kV substation, ancillary buildings, the circulating water system and the main building superstructure. The photograph shows five box culverts in the main foundation raft which will feed the turbine cooling system.

COMMUNICATION

Car phone service expansion

AT THE moment only London and South Lancashire motorists are able to make a telephone call direct from their motor-car, and only if their vehicle is in their "home" radio transmitter area. By the end of the year new transmitters are to be brought into action in South Lancashire that will double the potential number of customers to 700, with the potential ability to handle many more if the demand arises.

Apart from this however, the Post Office is to provide car radiophone services for the first time in six other major centres during the next 18 months. The first, covering a large part of the Midlands is to come into service early in 1974. Initially it will provide for up to 350 users in the Birmingham and Coventry areas.

The Midlands service will be controlled from Birmingham and new transmitters at Turner's Hill (near Birmingham) and Char-

welton (south of Rugby) are being installed. This will be followed during 1974 with services for South Yorkshire, Glasgow/Edinburgh, the Bristol area, and South-East Wales. Newcastle/Middlesbrough will have service early in 1975. Each centre initially will be able to provide service for up to 350 users.

Range

In addition however, the modernised and expanded service will enable motorists with a phone in the car to use the facility whenever they are within the range of any of the radiophone service transmitters.

Car radiophone users can contact any telephone in the U.K. and calls can also be made to most countries in Western Europe. Radiophone customers pay a quarterly rental of £7.50 to the Post Office and rent or buy radio equipment for their vehicles

from one of the approved suppliers (Storno and Pys Telecommunications).

Calls made to any point in the "home" area cost 9p for the first three minutes and then 3p a minute. Other calls are charged at normal trunk rates with an additional radio charge of 6p for the first three minutes and 2p for each extra minute.

Once the new services are established, Post Office technical specialists are to look closely at the possibility of providing radiophone coverage for motorists using the motorway which link the radiophone areas. The London/Sheffield section of the M1 and the Birmingham/Manchester section of the M6 will be the first to be examined. Details of how this might be done have not been revealed by the Post Office but clearly could include a directional beam "pointed" down the motorway, or perhaps low power transmitters connected by land-line and located at intervals along the route.

HANDLING

Despatch of mail speeded

A POSTAGE meter with sealing and linking facilities for both letters and parcels is being produced by Pitney Bowes, The Pinnacles, Harlow, Essex. It is a fully automatic, electrically operated machine which deals with 120 letters a minute. A table-top machine, it is

capable of printing postage envelopes in sizes from 3½ inch by 5 inches to 9½ inches by 11 inches and maximum thickness of 1-inch. It seals the flaps, adhesive labels are used parcels and packages.

The machine, Model 5675, print postage denominations from 1p to 999p while a slot plate will optionally print a postmark advertisement. The detachable meter weighs 11 lbs, always shows balance in lb and total postage spent. Dials changing is done by turning dial. The machine is 27 inches wide by 19 inches deep by 15 inches high and weighs 80 lbs.

European Publication

Construction Industry Annual

COPYRIGHT FOR SALE

A sponsor (perhaps a materials manufacturer or major contractor) is being sought for a new European annual now almost complete editorially and ready for printing. The publication will be an important aid to architects and others engaged in construction, and has no competitor.

The vendors, an experienced editorial organisation, will enter into a contract to revise and update the contents annually on terms to be agreed. Offers of not less than £7,000.00 are invited for all copyright rights. Additional editorial costs amount to about £5,000.00.

Please write to: Managing Director, Construction Annual, Box E.0132, Financial Times, 10, Cannon Street, London EC4P 4BY.

MIDLANDS ELECTROMATION

ELECTRONICS - ELECTRICAL - FLUID POWER CONVENTION and EXHIBITION

Components Equipments Controls and Instruments

CAR ELECTRONICS, SEMICONDUCTOR, OPTOELECTRONICS, ETC.



University of Birmingham

8th - 10th January 1974

DETAILS OF:

AVAILABLE EXHIBITION SPACE	<input type="checkbox"/>
CATALOGUE CLASSIFIED ADVERTISEMENT COSTS	<input type="checkbox"/>
FREE EXHIBITION VISITORS PASSES	<input type="checkbox"/>
CONVENTION PROGRAMME	<input type="checkbox"/>
Name	<input type="text"/>
Position	<input type="text"/>
Nick appropriate box, cut coupon and affix to your Company letterhead.	

How to do business with the French

Announcing a new Financial Times film, invaluable for senior management, training officers and export sales departments.

This film is 30 minutes long and is made up of interviews and discussions with French and English businessmen who have a great deal of experience in Anglo-French trading.

We have great pleasure in inviting you to the regional premiere of your choice. A list of times and places is given below. Please tick the premiere you wish to attend and return the coupon to the address given.

I would like to attend the regional premiere as indicated below:

- | | | |
|--------------------------------------|------------------------------------|---|
| <input type="checkbox"/> Southampton | 11.00 a.m. Monday 29th October | Polygon Hotel, Cumberland Place. |
| <input type="checkbox"/> London | 11.30 a.m. Tuesday 30th October | Financial Times Cinema, Bracken House, Cannon St, EC4P 4BY. |
| <input type="checkbox"/> London | 11.30 a.m. Wednesday 31st October | Caledonian Hotel, Central Hotel, Gordon St. |
| <input type="checkbox"/> London | 3.30 p.m. Thursday 1st November | Holiday Inn, ATV Centre, Holiday St. |
| <input type="checkbox"/> London | 11.30 a.m. Friday 2nd November | Grand Hotel, Aytoun St. |
| <input type="checkbox"/> Edinburgh | 11.00 a.m. Wednesday 7th November | Centre Hotel, Lord Nelson St. |
| <input type="checkbox"/> Glasgow | 3.45 p.m. Wednesday 7th November | Dragonara Hotel, Neville St. |
| <input type="checkbox"/> Birmingham | 11.00 a.m. Wednesday 14th November | Gresham Hotel, O'Connell St. |
| <input type="checkbox"/> Manchester | 11.00 a.m. Wednesday 21st November | Gosforth Park Hotel, High Gosforth Park, Wideopen. |
| <input type="checkbox"/> Liverpool | 3.45 p.m. Wednesday 21st November | Albany Hotel, St. James St. |
| <input type="checkbox"/> Leeds | 2.30 p.m. Wednesday 28th November | Dragonara Hotel, Neville St. |
| <input type="checkbox"/> Dublin | 2.30 p.m. Friday 30th November | Gosforth Park Hotel, High Gosforth Park, Wideopen. |
| <input type="checkbox"/> Newcastle | 2.30 p.m. Tuesday 4th December | Albany Hotel, St. James St. |
| <input type="checkbox"/> Nottingham | 11.00 a.m. Monday 10th December | Dragonara Hotel, Neville St. |
| <input type="checkbox"/> Bristol | 11.00 a.m. Tuesday 11th December | Gosforth Park Hotel, High Gosforth Park, Wideopen. |
| <input type="checkbox"/> Cardiff | 3.45 p.m. Tuesday 11th December | Albany Hotel, St. James St. |

Name
Address
Company

Please return this coupon to:
Financial Times Films, 10, Bolt Court, Fleet St, London, EC4.

ELECTRONICS

Nuclear gauging by Kent

FIELDON Electronics of Wythenshawe, Manchester, a member of the George Kent Group, is marketing the complete LFE range of nuclear thickness gauges in the U.K. and the rest of Europe (except France), Australia, Malaysia and South Africa. This follows the recent conclusion of negotiations between the Group and the LFE Corporation in the U.S.

The LFE thickness measurement equipment (or Beta gauges as they are commonly termed) available from Fieldon Electronics, provides automatic on-line thickness measurement and control of virtually any sheet-forming manufacture including coating processes.

Among the most important applications are rubber and plastic sheet production where accurate control of thickness is critical to the operational economics of the process from the point of view of wastage and quality control. Other industrial areas where the systems have proved particularly successful in operation are in sheet metal manufacture and paper production.

INSTRUMENTS

Fast RAM from Texas

A LARGE SCALE integrated 4096-bit metal oxide silicon (MOS) random access memory (RAM) with 300 ns maximum access time has been announced by Texas Instruments, Manton Lane, Bedford, and is believed by the company to be the fastest RAM in the business.

Designated the TMS4030, the device also features a 470 nanosecond maximum cycle time, a 710 nanosecond maximum read/modify/write cycle time, and low power dissipation of 400 milliwatts in the operating mode and two milliwatts at standby. This high-speed RAM, organised as 4096 one-bit words, is fabricated using N-channel technology to optimise speed/power/density tradeoff.

The high performance and low cost of the device are made possible by combining the N-channel silicon gate process with a simple one-transistor cell design and unique circuit techniques. A highly sensitive sense amplifier has been designed on the same chip so that it reliably detects a very low voltage signal. This particular design accomplishment has been instrumental in achieving the high-density one-transistor cell RAM.

THE FINANCIAL TIMES

Incorporating THE FINANCIAL NEWS
(Established 1888)
(Established 1934)Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON, EC4A 3DF.
Telephone Day & Night: 01-248 8000. Telegrams: Finantime, London.
Telex: 886241/2, 883897FOR SHARE INDEX AND BUSINESS NEWS SUMMARY RING: 01-248 8000
Strasbourg: George House, 10, rue de la Liberté, 67000 Strasbourg, France.
Dahlem: 10, rue de la Liberté, 10000 Dahlem, Germany.
London: 10, rue de la Liberté, 10000 London, England.
New York: 10, rue de la Liberté, 10000 New York, New York, U.S.A.
Paris: 10, rue de la Liberté, 10000 Paris, France.
Rome: 10, rue de la Liberté, 10000 Rome, Italy.
Tokyo: 10, rue de la Liberté, 10000 Tokyo, Japan.
Zurich: 10, rue de la Liberté, 10000 Zurich, Switzerland.

MONDAY OCTOBER 1 1973

Hard task for Mr. Wilson

THERE IS no reason to believe that a general election is in the immediate offing. This year's Labour Party conference, therefore, might well have been one of those fantasy events at which the Left, freed from the necessity of even seeming to woo the electorate in general, could let off emotional steam by demanding the nationalisation of everything within sight. The paradoxical fact is that the approach of an election will be in the mind of every delegate and that the running is nevertheless likely to be made by the Left.

The question of power is a real one because of the Government's current unpopularity and the spectacular advance of the Liberals. The swing to the Left, though primarily due to disappointment about Labour's achievements in office, has been reinforced by trade union resentment of the present Government's decision to continue and reinforce policies previously espoused by Labour. It remains to be seen, after last week's relatively amiable meeting between Ministers and representatives of the TUC, how strong an attack is mounted on a Phase Three whose terms have yet to be proposed in detail. But it will be surprising if Mr. Jones and Mr. Scanlon do not call for an immediate return to free wage bargaining; and Mr. Healey, whose seat on the National Executive is in some danger, will be under pressure to make sympathetic noises.

Liberal gains

The Government's economic record so far has not been good and economic issues of one sort and another will inevitably claim priority in the debates. Attack will be easy: constructive counter-suggestions of a sort likely to appeal to the electorate may be less conspicuous. Labour suffers disadvantages which are reflected in an opinion-poll lead over the Conservatives much smaller than the Government's record might have led its supporters to expect. Those voters who feel disillusioned with both the two major political parties are more likely to sympathise with the Liberals than with a Labour Party tending to a more extreme and possibly authoritarian form of socialism.

No doubt a large proportion

No progress on monetary reform

THE PROSPECTS of a serious and credible reform of the international monetary system are slightly more gloomy as a result of last week's annual meeting of the International Monetary Fund than they were before it started. The ministers did, it is true, set themselves a new deadline for reaching agreement. But this deadline had barely been adopted before the Americans were adding a rider to the effect that no reform could be accepted until the U.S. balance of payments had been straightened out, or implemented until the U.S. balance of payments had been in surplus for an indefinite period.

U.S. deficit

The Europeans are demanding that in the new system the U.S. must settle any deficit in primary assets and not by printing dollars. The Americans argue that they cannot undertake this obligation until they have a reasonable prospect of being able to live up to it, which implies the elimination of a deficit which is in excess both of their present holdings of gold and of their likely allocations of SDRs.

Unfortunately, the Administration has carried this case to the point where it is unreasonable to demand the right to run a substantial surplus before a system of regional monetary reform is implemented. The very only to intensify antagonisms, by implication, is being between the U.S. and the rest of the world. No one is now faced with a demand that the dollar overhang be definitely their own plans for foreign central banks monetary union and taking precisely because this would unilateral decisions about the role of gold and the valuation of the dollar.

EEC choice

For the time being, the Europeans have acquiesced in America's foot-dragging; partly because the kind of multilateral reform being discussed cannot be implemented without U.S. support, partly because a stronger dollar (though not an adequate substitute for reform) would at least be an improvement on the present situation, partly because their own plans for monetary and economic union in the European Community are in such a state of flux.

But if the Americans really desire a one-world economy, as they so often claim, they will have to accept equal rights and obligations. The alternative will be a system of regional monetary reform, which might serve to intensify antagonisms, by implication, is being between the U.S. and the rest of the world. No one is now faced with a demand that the dollar overhang be definitely their own plans for foreign central banks monetary union and taking precisely because this would unilateral decisions about the role of gold and the valuation of the dollar.

Oil: time for the consumer to intervene in the argument

BY ADRIAN HAMILTON

If now is the winter of oil discontent, there are precious few signs of a glorious summer to succeed it. Right from the beginning of the year it has been obvious that the whole attempt to get a negotiated framework on prices and supplies to take the international oil trade through a difficult period of change was going to come under severe pressure from market forces. And so it has proved.

Within the last month alone, the Libyans have announced the 51 per cent nationalisation of all operating companies in the country and have threatened to nationalise the major companies 100 per cent if they do not submit to the Government's terms. In Kuwait and Saudi Arabia, Government officials have made it clear that they are now seeking a renegotiation of at least the price and possibly other terms in the participation agreements. In Geneva last week the massive might of the Organisation of Petroleum Exporting Countries announced the decision of the world's major oil exporters to seek higher prices and the re-negotiation of the five-year Tehran price settlement signed barely more than two years ago.

Extensive changes

If there has been plenty of activity on the oil front of late, there has yet to emerge from it any clear line of development. Libya may have unilaterally nationalised 51 per cent of the companies assets there. But the majors continue to refuse to accept the move, oil is still being shipped out of the country, and the response of the Gulf producers has yet to become evident. All through the Middle East, the question of involving oil in the Israeli confrontation has become an accepted subject of discussion; yet how and when this weapon might be used remains vague and probably undecided.

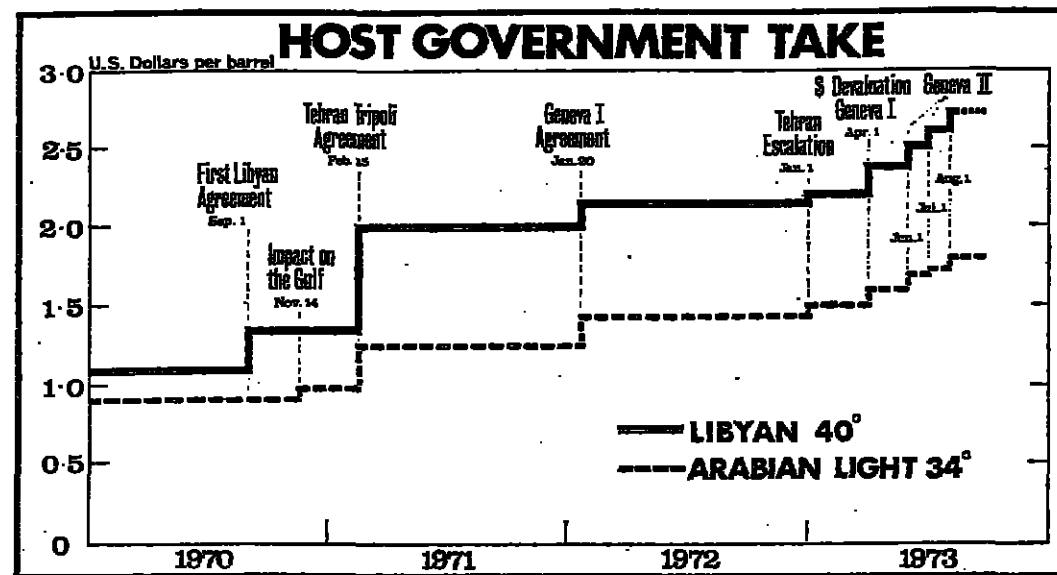
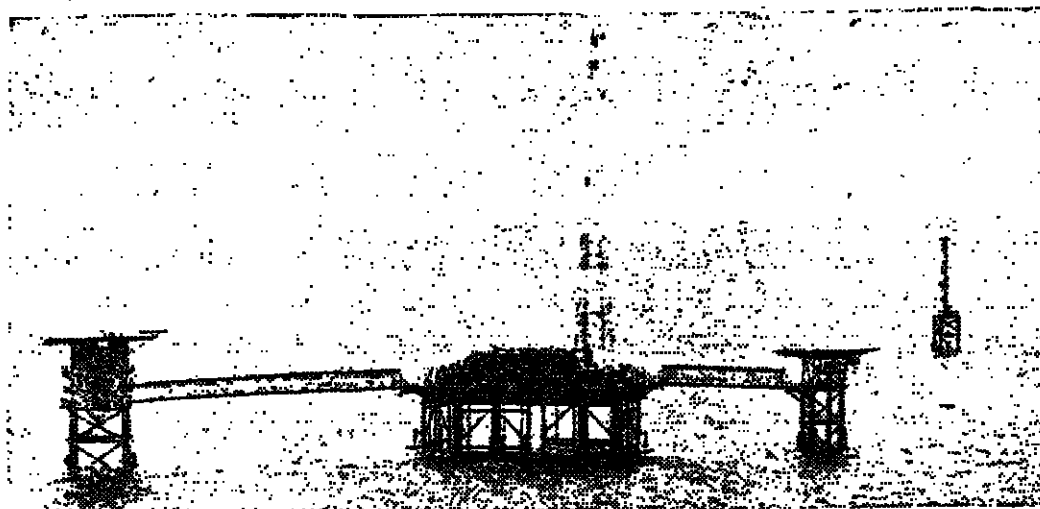
On the OPEC price talks, due to start in Vienna on October 8, it is clear that the producers now want extensive changes to previously agreed formulae. But just how far they wish to overthrow these agreements and tie prices to fluctuating market trends has yet to be stated, and most probably has yet to be fully defined by the producers themselves.

The reasons for the current instability and indecisiveness are not hard to find. In the space of little more than a couple of years, the entire oil trade has lurched dramatically from a buyer's to a seller's market. Supplies have gone from plenty to near shortage, and unthinking confidence among many in the future availability of oil has been replaced by very real concern about whether production will begin to fall within a decade. Almost everybody involved in oil trade now accepts that the last few years have been a profound watershed in the development of oil.

In the oil industry who, long directly from the trappings of past structures, in the form of international oil companies, completely free market conditions in which the producing states own and sell the oil, the oil companies become off-shore buyers competing for the oil and prices would move according to the laws of supply and demand. The need for negotiated agreements on price and control of operations, and the constant confrontations and dramas between industry and producer, would then be obviated.

Yet it is just this conclusion—as the current discussions over price and participation show—that the main participants shy away from, at least at the moment. Certainly some of the more radical producers might wish it, but most of the major oil exporting countries are as yet unprepared to take on the full burden of the technical and commercial expertise needed to produce and sell their oil on their own. Although all would clearly like to see the maximum return for their oil that the market warrants at any time, there are also strong reasons for the oil states to ensure that so vital a source of revenue as oil should be produced and marketed within a reasonably stable framework over the future.

Equally, there are companies



Free market conditions

But the pace at which this change is occurring, the speed at which prices are rising and shortages beginning to occur, has taken all but the most pessimistic by surprise, and it has left everybody involved—consumer, producer and oil industry alike—struggling to define long-term objectives and policy in an extremely volatile and unpredictable short-term situation.

In a sense, the most logical outcome of the situation is that

the oil trade should move on markets and short on crude, would not necessarily be adverse to seeing a move towards free market conditions in which their strength in the markets would serve them well. Certainly the participation negotiations have tended to work much more to the benefit of the U.S. Aramco partners than to the benefit of the European companies like CFP, BP and Shell.

But the participation and price talks have been not just about the defence of a privileged position by the oil majors; they have also been an attempt to ensure the stability of supply source and the framework for future investment and planning that is essential for every oil company if it is to fulfil its role in the oil trade.

Secure supplies

The same considerations apply even more intensely to the consumer. If the twin objects of any consumer government's policy on oil—cheap fuel and secure supplies—have become more difficult to assess in the current conditions, oil still remains too central a factor in the consuming nations' balance of payments and industrial growth for it to be left totally at the mercy of fluctuating market conditions and individual events in any one country.

But if the interests of the

consumer and producer are to be balanced out in secure agreements, it can only be the consumer, not the oil industry, who finally decides what form any framework for the oil trade is to take. It is the consumer's failure to make his wishes on to the consumers, and known that is at least partly responsible for the current unsettled state of oil relations.

The last few years have seen the oil industry's ability to act as a real buffer between the consumer and producer steadily eroded. Indeed, the interests of the oil companies are in many ways closer to the producer than to the consumer in simple economic terms. As long as it can pass on any cost increases, then the oil company's interests in resisting dramatic new price demands from the producer are relatively slight.

Yet the past year has seen a whole range of questions thrown up which only the consuming governments can decide. The role of oil in the Israeli question; producer governments' ambitions to invest downstream and form bilateral trade arrangements; the place of oil producers' cash surpluses in the world's monetary system; these are all problems which the oil companies are directly concerned about but not in a position to decide.

Libyan question

In the Tehran and Tripoli price talks of 1971, the discussions on Iraqi nationalisation last year and the oil industry's stand on the Libyan question, the behind-the-scenes role of consumer governments has steadily increased, with their views not only being sought by the oil companies but also playing a vital part in decisions. But the consumers are still far from being either united enough or certain enough in their own policies to tackle the central questions of price, future supply structures and producer-consumer relations.

Nervous of confrontation with the producers and deeply divided on major issues, consuming governments have so far failed to achieve the kind of co-ordination of views between the consuming blocks necessary if their weight is to be felt and damaging competition for supplies avoided.

Current events could force the consumers into a decision. A complete breakdown in Libyan supplies when the deadline for acceptance of nationalisation comes up on October 1 and a Libyan call for OPEC support would almost certainly impel the major importing countries to consider how far they wished to support the oil industry and face a confrontation. A really dramatic demand for higher prices during the OPEC price negotiations in Vienna, such as the \$2 increase being quoted in some reports, might also push consumer governments into considering

Direct confrontation

His stand need not be a confrontation with the producers. Countries like Iraq, Saudi Arabia have shown in proof of their genuine determination to seek a mutually-beneficial partnership with the West through trade and investment, and logical exchange. A broadening of oil relations into spheres does not necessarily entail a face-to-face negotiation between consumer and producer on prices and supplies (that) nor that oil is tied to currency reform discussions or bilateral trade talks. But if oil has become so important to be left to the industry, and if some secure relationship is established with the producer, then the oil importing countries will have to ascend themselves to make their own. As long as the consumer hides in the wings, as he done to date, long-term stable and secure development is likely to be achieved.

MEN AND MATTERS

Peet's lead for Legal & General

That it should be Ronald Peet who makes the stoutest public defence so far of the insurance industry against the nationalising forces in the Labour Party (and who knows quite who they are yet?) is in keeping with his style since he became chief executive of the Legal and General at the beginning of last year. He has already made one dramatic intervention in extra-company affairs when with a timely and responsible use of economic power (his words), Legal and General was the first City institution to urge the Distillers Company to make a higher offer to the Thalidomide children.

Peet's career has been novel enough to make him a natural force for change in insurance. His degree at Oxford was in Theology. His main experience with L & G was overseas (in Australia). When the company changed its management structure in 1969, he was among the first of the divisional general managers to go on the board. And he is unusual in getting to the top in insurance as a marketing expert.

As such, he has stressed that insurance companies must compete with other financial institutions, for instance taking on the merchant banks as pure money managers. He is overseeing many geographical changes within the company, aimed at producing logical management centres (and throwing up a bonus in 50,000 square feet to 60,000 square feet of the City head office which will, in time, be vacated). In short, Peet is anxious that L & G should not be one of "to-day's large and

respected companies" which resemble extinct dinosaurs (also his words).

Peet's opposition to the plans of Labour's "green" discussion paper, based on the report of a study group chaired by Ian Mikardo, includes a claim that they ignore the influence of overseas insurance earnings and their influence on Britain's trade balance. "Such ignoring—I should say even ignorance—of the facts of the insurance industry is typical of the Green Paper," he told the conference of the Chartered Insurance Institute.

So far, however, only one other insurance leader, D. W. A. Donald, general manager of Standard Life, has publicly criticised Labour's plans. Peet yesterday said he was not trying to try to form an anti-nationalisation lobby himself; that would be a job for the industry associations. Perhaps Blackpool will cause the British Insurance Association (and the other financial institutions threatened, particularly the banks) to argue their case more publicly.

Ray of hope

Apparently he has made a beautiful lampshade out of Ordinary stock certificates, said William Bradley, registrar of Rolls-Royce (the old company) reporting an unusual request from a shareholder who, at the liquidation, converted his holding into a lasting memento of the hazards of high technology. Now that there may be some thing left for Ordinary shareholders, Bradley has ruled that, providing the certificates can be identified, the investor will be allowed to submit his lampshade for the pay-out.

Quick-footed

A Scottish mill manager was being pressed by women journalists on the question of equal pay. No, he said, it was not true that men would not do the very tricky job of finding and repairing faults in new cloth because the pay was so bad. It was simply that the company had never found a man able to do the work.

"Aha," said the girl reporters. "Then it is a skilled job and should be better rewarded?"

Not at all, came the bland reply. No skill was involved. Only manual dexterity.

The other Prof. Friedman

While his boss, Robert McNamara, was in Nairobi putting the case for the world's chronically poor, in London Irving Friedman talked of something which "has nothing to do with the stage of economic development or the social system," inflation. In fact Friedman, who sees inflation as the root cause of most of our problems, reckons it to be more disruptive to the developed economies than to the poor countries and "more than anything else, causes governments to go against their principles and to interfere in the lives of individuals."

At 58, Friedman is a veteran of the international monetary scene who, with the first book he has written for general consumption, has caught on to the popular bogey of the day. So, inflation, A World-Wide Disaster, is already reprinting in the U.S., and Friedman is in London to send off the British edition.

Since he has not, before, been a very "public" economist, unlike his namesake Milton Friedman ("He's no relation. He's got it wrong"), Irving Friedman finds his success a little funny. "But the timing is not luck. It shows I was right." What happened was that, having fallen ill in 1969, he left World Bank duties for a year as a fellow of All Souls, writing the first draft of the book while there. He had decided "in the mid-1960s" that inflation would become an international crisis in the 1970s.

Friedman had a good vantage point from which to reach such a conclusion, having started in the U.S. Treasury in 1942, working in the Bretton Woods team; switched to the IMF in 1952, acting as a troubleshooter, with Japan and Britain among his special responsibilities; and moved across to the World Bank in 1964 where he now reports to McNamara as the "professor in residence."

Having applied his economics in 60 or 70 different countries during his career, Friedman can now talk in unusual detail about how inflation is influencing politics, education, social change, etc., in different parts of the world. But granted the analysis, what about the cure? In the fight "to get people to drop the expectation of persistent inflation," he says no international institution (such as his own, presumably) can provide the answer, but equally that no country can solve its problem alone.

Wet

Invest this with your own favourite nationality. A... man wanted to be buried at sea. His best friends were drowned digging his grave.

Observer



WE CARE

all the way to the WEST INDIES,
GUYANA, SURINAM, VENEZUELA,
COLOMBIA, MEXICO, GUATEMALA,
BELIZE, U.S. GULF PORTS and
SOUTH and EAST AFRICA.

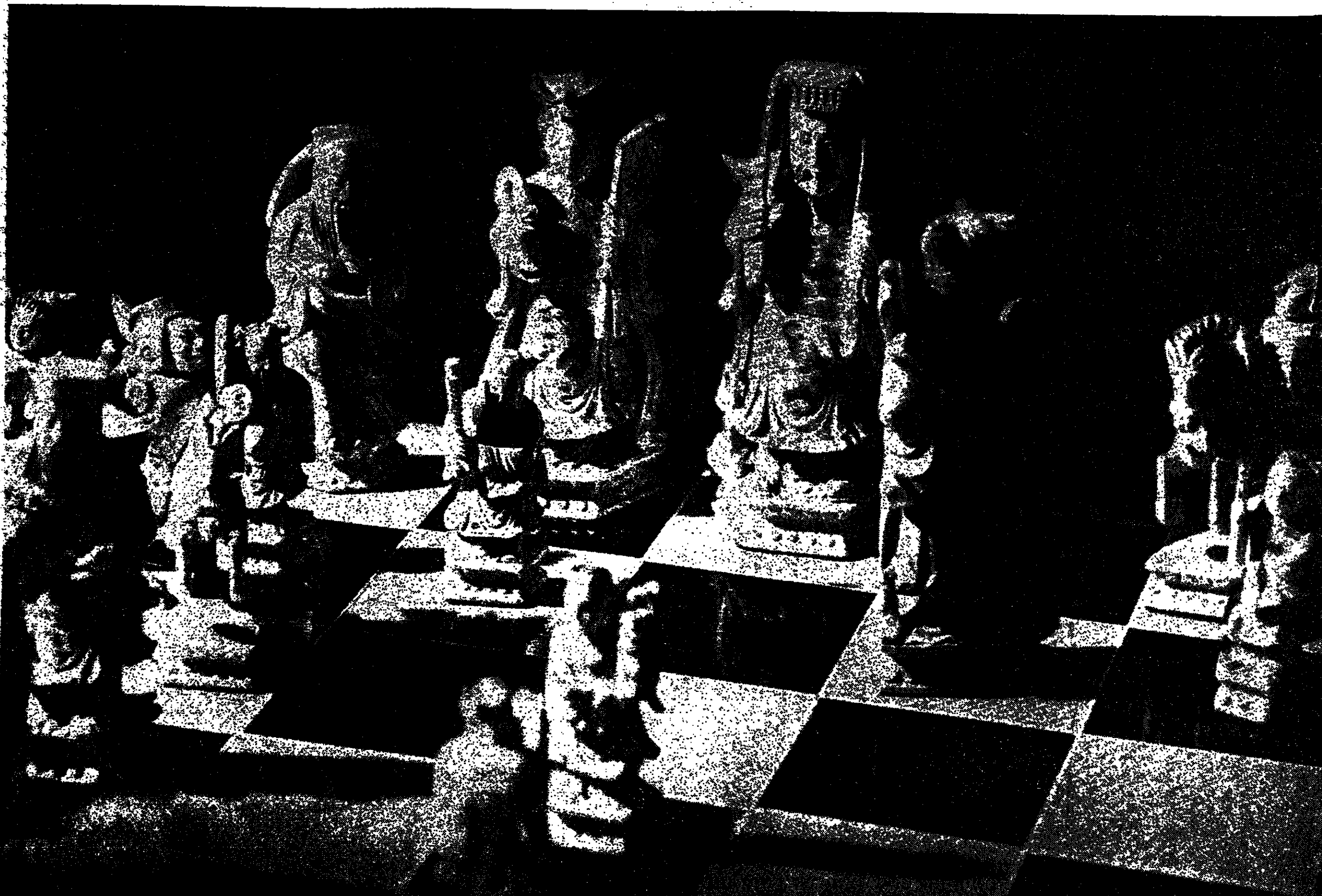
for your cargo

Harrison Line

Thos. & Jas. Harrison Ltd
Mersey Chambers Liverpool L2 8UF
Fountain House
Fenchurch Street London EC3M 5EE

SINGAPORE

Financial Times Survey



Check...

with Sime Darby before you make a move in South East Asia

Singapore and Malaysia, key business centres in South East Asia, are probably as difficult and as complex markets as there are anywhere. Living standards are high, the second highest in Asia and people have money to buy and to invest. There is the chance that you could walk right in and make money on your own, but there are problems. There are five major languages. There are transport and distribution problems. There are different customs and traditions in every major town and district.

We're specialists at solving these problems. It's our job. Sime Darby itself is a major organisation, and under our umbrella we have over 40 specialist companies, each individually managed and profit-making. These include finance and

management services, shipping and insurance as well as distribution companies covering a host of consumer, consumer durable and industrial products.

We've been in business here for over 60 years and are completely familiar with the local scene. The knowledge and expertise gained over these years is available to you, particularly in the context of joint ventures.

In the area of distribution it is virtually certain that your product fits a field in which we have a specialist. We can give you on-the-spot advice. We can tell you from objective studies whether or not you can make money from this market, and if so how. The rest is a matter of agreement.

We would welcome the opportunity to talk to you.

The Sime Darby Group

71 Robinson Road, Singapore 1
54 Jalan Ampang, Kuala Lumpur.
19 Leadenhall St. London EC3V 1NN
3rd Floor, Alexandra House, Hong Kong.

SINGAPORE II

Problems of success facing a small island republic

By KEVIN RAFFERTY, Asia Correspondent

Barclays Bank in Singapore

Our recently opened branch in Singapore is the most recent link in our growing chain of branches in the Pacific and Far East.

If you have business interests in Singapore let Barclays Bank put its services to work for you.



Singapore branch:
GPO Box No. 887, Singapore 2,
Republic of Singapore
Manager: Mr. D. Payne
Cables: BARINT Singapore

Having pulled through a decade of massive problems all prominently earmarked "survival." Singapore this year has faced a series of nagging little ones. Its survival is no longer openly disputed, but the difficulties that have occurred indicate that the tiny island republic has a long way to go before it can be sure of itself or where it is going.

The most important series of incidents concerns the relationship with Malaysia. Immediately after the 1965 divorce between Malaysia and Singapore, it seemed inevitable that the various assets of the joint household would be divided between the partners; this year and last the inevitable has been taking place. The joint airline was broken into two; the stock exchanges were separated; the interchangeability of the Singapore and Malaysian dollars was abandoned; and finally the rubber market was split. This leaves the Turf Club as the only institution with a base on both sides of the Causeway.

All these splits were inevitable. What was not inevitable was the bad blood, not to say hostility, that accompanied them. Malaysia was upset at the way it thought Singapore Ministers "talked down" prices on the joint stock exchange, although Hong Kong stocks were also tumbling fast about that time. Singapore in its turn charges that Malaysia gave the minimum possible notice of the impending currency split, causing the maximum possible disruption. Malaysia is going ahead with plans for its own ports and airports, some of which are clearly intended to take trade away from Singapore.

What many of Singapore's supporters find both puzzling and worrying is that Singaporeans can actually boast that their leader, Lee Kuan Yew, leads a tiny Chinese island in a Malay Muslim sea. At the moment even if the surrounding Muslim nations, Malaysia and Indonesia, set out deliberately to hurt Singapore, it is doubtful

how much harm they could do. But in many eyes, the boom time to come will be in Malaysia and Indonesia, and at such a pace that Singapore's development will look like flat beer beside sparkling vintage champagne. One foreigner rather cruelly put the present position: "I am agog at the riches and natural resources of Indonesia and Malaysia. They have practically everything, but whereas Singapore is using electronic calculators, Indonesia is still in the development stage of bartering for glass beads."

Singapore's own development, of course, is a major success story.

In conventional terms Singapore continued to do splendidly last year. The economy grew by another 13 per cent. last year, making a more than 350 per cent advance since Singapore took over its internal self-government in 1959. It has conquered the vast unemployment problem and has a shortage of labour. It has almost solved a huge housing problem by building 155,000 housing units in 14 years; by 1975 more than half the population will be living in subsidised Government-built flats. It has achieved this with a healthy balance of payments surplus and foreign exchange reserves now total nearly \$56,000m; Singapore has higher reserves per head at \$U.S.961 than either Japan (\$U.S.173 per head) or West Germany (\$U.S.406). Income per head at the end of last year had risen to \$33,687 (nearly £650), the highest in Asia after Japan. The success story has been enough for Singapore to win the accolade of the only developing country in the world which is developing.

But Singapore's success is heavily dependent on foreign confidence. It is a cliché, but still true, that Singapore has no natural resources apart from its position at a major international cross-roads, and the brains and energy of its people. Its development has been particularly enriched by foreign investment: wholly foreign-owned or joint venture establishments in 1970 constituted only 17.6 per cent of Singapore's manufacturing companies, but they contributed nearly 50 per cent of the value added, 44 per cent of the total employment, 55 per cent of total sales, and nearly 70 per cent of direct exports of manufactured goods.

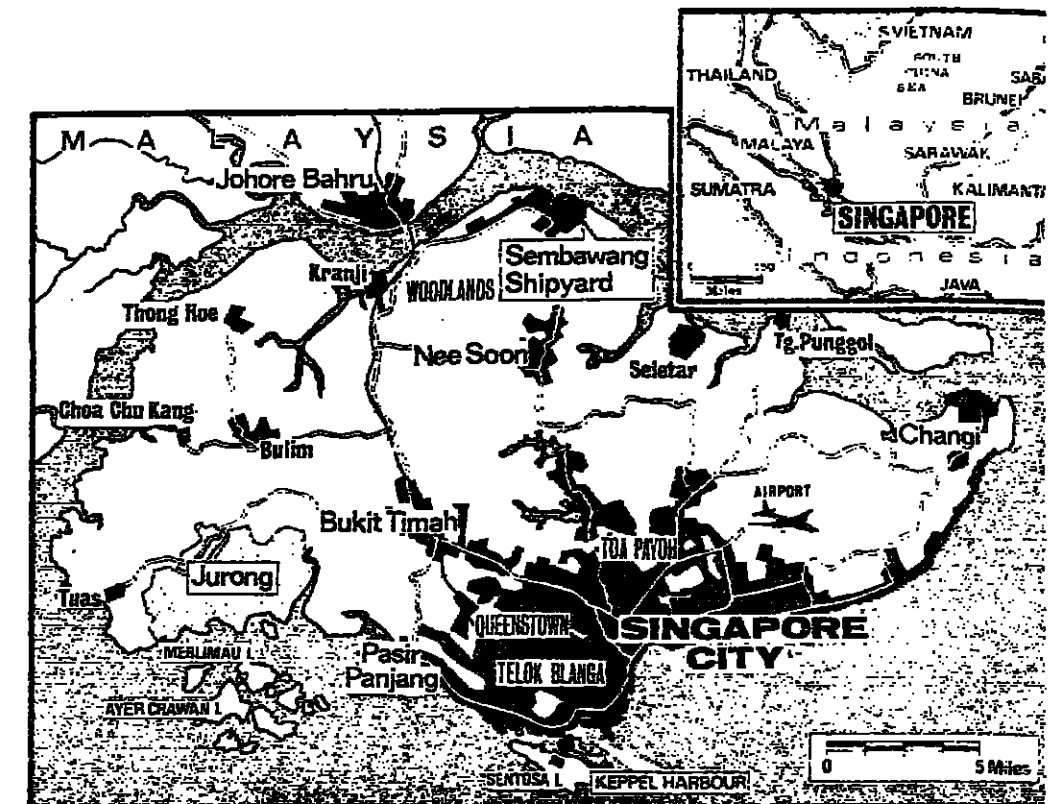
More sophisticated

The way ahead which Singapore has chosen is to attract more and more sophisticated foreign investment. It is racing against time to train enough of its own people to work in high-technology industries. It has to remain sufficiently "politically stable" to attract the foreign investors.

The implications of this are far-reaching, particularly for a small nation in a turbulent sea of larger alien countries. Singapore investors are busy growth is a widening of putting money into Malaysia

CONTENTS

Politics	III	Immigration	X	Property
Economy	IV	Links with Japan	X	Defence
Trade	V	Links with China	XI	Regional relations
Anglo-Singapore trade	V	Links with U.S.	XI	Oil
Finance	VI	Shipbuilding and repair	XII	Oil refining
Stock market	VI	The port	XII	The environment
Singapore dollar	VII	Shipping	XIII	Airline
Investment	VIII	Housing	XIV	Tourism
Labour	IX			



BASIC STATISTICS

AREA:	226.2 sq. miles	Exports:	\$56,150m.	Imports from U.K. (to June):	\$48.
POPULATION (1972):	2.15m.	Imports from U.K.:	\$77.4m.	Exports to U.K. (to June):	\$31.
GDP (1972):	\$57,322m.*	Exports to U.K.:	\$39.6m.	CURRENT EXCHANGE RATE	£1 = S\$7.57
GDP per capita (1972):	\$33,405	TRADE (1973):		* IMF figures	
TRADE (1972):		Imports (to June):	\$55,590m.*		
Imports:	\$58,948m.*	Exports (to June):	\$53,960m.*		

salaries which are competitive with the best in the world market. But to see its products prosper on the world market and to attract foreign investors Singapore must be able to produce goods at "competitive prices." This means effectively that Singapore must pay its workers below the rates prevailing in other countries. Since so much of the industry, particularly the new high-technology industry, is owned outside the country, there seems no prospect that the island republic can catch up. Its small population means that it can never sustain an independent market.

The Prime Minister, Mr. Lee Kuan Yew, is certainly aware of the problems, though he stresses "I would rather have to deal with the problems consequent on growth than the problems consequent on poverty. One of the first by-products of rapid growth is a widening of differentials in rewards."

He said there were other ways of development: "We could go the Chinese way and settle wage structures on moral values. We could give the scientist one and two-thirds what the foreman gets, and the foreman one and a half times the wages of the worker. But nobody is allowed to leave China. Or, we could go the Indian way and educate 60,000 Ph.D.s in the physical sciences who would then go off to serve the North American and European economies."

Learning skills

"But our workers will learn the skills. Then slowly we shall get the know-how. We hope to catch up with Southern European countries. But technological innovations involving vast research and development costs will always be left to the giants. Even Britain had to join the Europeans to stay in the race."

Whether it has been the political stability or simply the authoritarian tendencies of the particular regime, Singapore in the past year has gathered some of the marks of a nervous society. Ministers have been particularly anxious to see that the "Confucian work ethic" is not lost. Posters have appeared in post offices for example that "males with long hair will be served last." A Government minister attacked those creations of western decadence, nylon stockings. The Government appears to be more successful with the men than the women. Men's locks are cropped as neatly as any shorn sheep, but miniskirts and tighties are flaunted everywhere.

Those who know him say that Mr. Lee is becoming increasingly concerned about his own safety. A block of flats opposite his home was cleared and repopulated with police and army security residents. A European company moving its offices to a high-rise building with a good view of the course where Mr. Lee plays golf was told that it would have to have slats across the windows.

Although ministers have protested about "moneytheism," especially when it led to a gambling spree on the stock exchange with speculators trying to make a faster dollar, the desperate inculcation of the work ethic and the tight control of any element likely to distract from this means that there is a real danger of creating a society whose only god is money or its greedy offspring, a second car, an extra television, more material possessions. Only six weeks ago the Foreign Minister, Mr. S. Rajaratnam, warned that "the mild prosperity Singapore has experienced has brought forth such grunts and squeals from a few of our citizens fighting to get to the trough—somehow, anyhow."

But the statements of Singapore's leaders, with the exception of the Minister, paint a picture ruthlessly dedicated, but less society. Mr. Rajaratnam has spoken of Singapore "global city" but most find it insular arrogant, an attitude which erment pressures to keep any influences which shatter the work ethic tend to foster.

Singapore is not a police state as some of its critics allege, nor is it very tolerant of kind of opposition. The police are extraordinarily taking if the reports of number of moderate Lib who claim to have telephones tapped are believed. They certainly inspire fear in many people who are trying to climb economic and social ladder the middle classes and anxious to "keep their n clean."

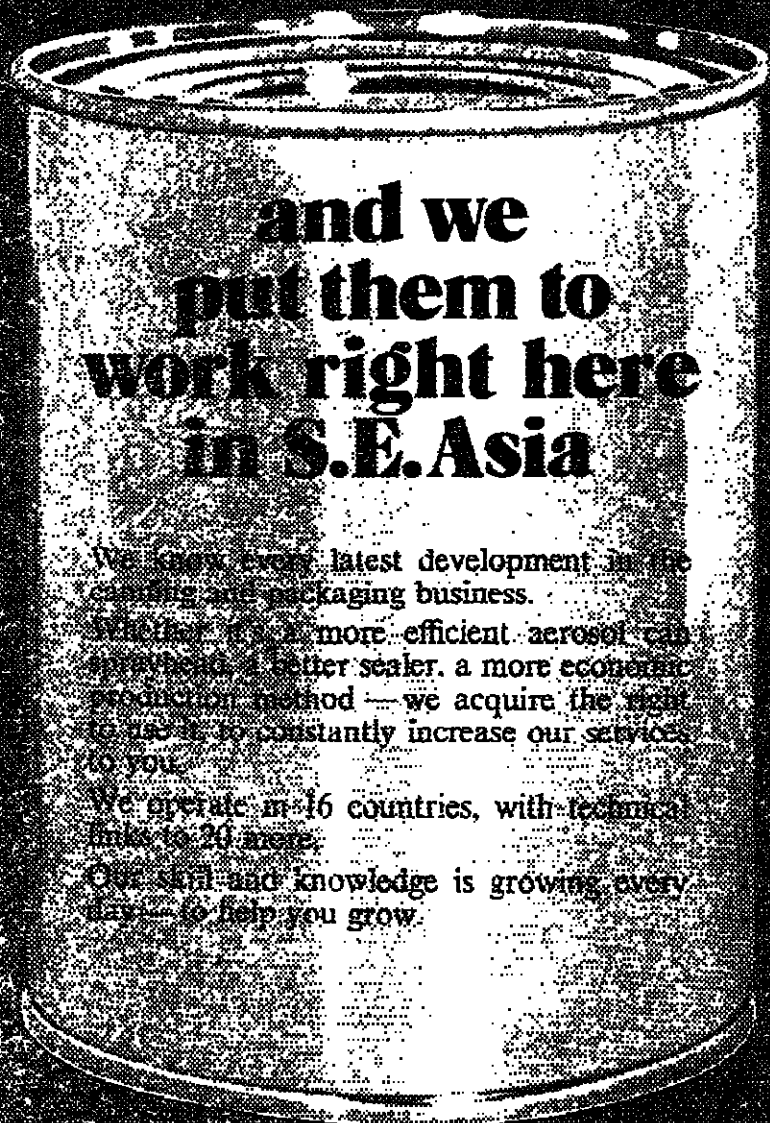
It is not easy to see where legitimate opposition can emerge. The unions are little with the ruling party, and union labour pressure is tolerated. The Press generally shows more interest in money than in endangering position by fighting crusades. University students who in the West have vociferous at least while university, have had message drummed into them that they are the elite of new Singapore and guarantee prestige positions — if behave. In any case, even to a university student require a "certificate of suitability" which can be withdrawn in steps out of line.

Compact societies

A claimed saving grace is Singapore is still an open society where a poor man is not vented from reaching the top. However, as time goes on avenues open to the poor likely to become fewer. Educationalists already say that more difficult for the intelligent children of poor parents reach university than for moderately intelligent child of rich parents. Moreover, cultivation of a meritocracy duces a lack of compassion. At least two high-ranking officials whom I spoke mentioned "dumbos" which society must have.

It may be that Singapore weather its difficulties and other nations how to create compact urban society where mass of the people are to be removed from cosy communities to high rise and where big wage differential may be accepted in the inter of "growth"—but it is worry that there is no opposition talk some of the heat out of problems.

We have access to the world's best packaging developments



and we put them to work right here in S.E. Asia

We have the latest development in the canning and packaging business. Whether you need a more efficient aerosol can, a more efficient screw cap, a more efficient pull-off cap — we acquire the right to use it. We constantly increase our services to you.

We operate in 16 countries, with technical staffs to 20 years.

Our skill and knowledge is growing every day — to help you grow.

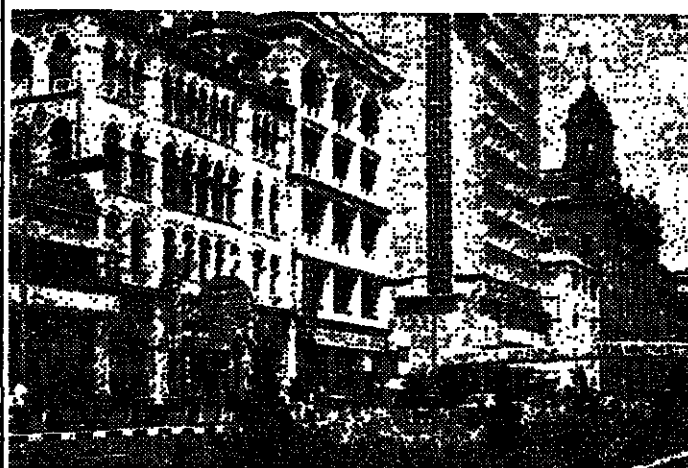
LEADING FOOD CANNERS USE CANS FROM METAL BOX

THE METAL BOX COMPANY OF MALAYSIA LTD.

Head Office: MacDonald House, Orchard Rd. Singapore
Singapore, Kuala Lumpur, Johore Bahru, Bangkok, Jakarta.



مكزمن لأصلي



Part of Collier Quay.

and Indonesia. Just as foreigners are investing in Singapore. The island is also trying to channel labour-intensive or pollution-intensive investment into the other two countries which have a surplus of labour and a larger market. Of course it is logical and may be beneficial for all three countries that some of these developments should occur, but it may also be dangerous for Singapore to be too arrogant. It is bad enough to be regarded as a colonial exploiter. It could be disastrous to be seen as a colonial exploiting middleman between the rich nations of the First World with their money and the teeming masses of the Third World with their major natural resources.

The demands of "political stability," which is such a powerful magnet for foreign investors, tend to lay the foundations of two societies. In fact there is evidence to show that Singapore already has two societies, one small and rich, living a western-style life, the other a poor society of the masses. To keep the brightest brains, Singapore must pay them

"For the professional high-flyer, rewards are based on world market prices. He can pick up jobs in Europe, America, Australia or Canada because his ability has a worldwide demand. At the other extreme is the vast majority of the population. Singapore wage costs are about one-sixth to one-fifth of Japan's for unskilled workers, one-quarter to one-third for semi-skilled, one-third to one-half for skilled men, and between 60 and 80 per cent. for engineers. But our union leaders travel. They know that if they press beyond a certain point, Singapore's wage cost advantage will be lost. Then we won't be able to induce middle technology to come in, and unless we can attract new technology, we can't improve our standards of living. With technology, we can improve standards. But it will be 10 years before the gap starts to narrow. For the first 10 years the differentials may probably widen. This is the way the industrialised world's free economic forces work on the economies of the developing world."

Prime Minister Lee's iron grip tightens the opposition

RAFFERTY

sets of events years emphasise Yew's iron-hard over the tiny of Singapore. 65 seats in last election. Then a position leaders or had to pay rgely for their the campaign. time, Mr. Lee's be his vulner- ly if the only him has such ations that it rated within the rison cell. Out- k that the laws ical activity are n standards, but position political len foul of them. General of the was imprisoned or writing about if Singapore as a puppet."

Court, which peal, said that leader of the al, like respect another Barisan tion candidate onths' imprison- ially defaming ng him "one of undrels in the in Singapore— of Singapore" tion campaign. Socialists had to pay exemplary

\$50,000 to Lee or "scoundrels," ounded attacks, ounded for two r libels.

sed opposition form of opposi- of them — as above examples its much space on as rivals. ither unfair to me Government dismissed them n of ragamuffins

ks." But the, which once rant balancing ow demoralised factions, while auvinist parties Chairman Mao's ith erstwhile he Government usly more con-

opposition from one of whom it sary to imprison

Singapore has nd 100 political without trial, the ring from the e categories. The s Action Party at such men are l dedicated to the the State by , and therefore pt inside unless

enounce the use political weapon. It remains true e has felt it rk up about 800 ok over power in re is no official the Parliament, us faction within

debate ble States would ical stability" It has enabled reduce its greatly of both economic development. But now reaching a

ible debate would -orting out the ac implications of vopement. Such umber on within administration and ty ranks, but little a public forum. ns an impression of policy when a r urges new social ven then, it tends n the manner of llage schoolmaster the tableted rules

R. In recent example, the user has "warned ngers of money- d the Defence and that Singapore t to encourage the wags" (Western ntlemen). distin- teir long hair and e tolerated, if not e a clear-headed nt man-like Lee at the helm of the e words of one e is the only man- ment with that but great asse.

As a politician he nt, but coldly ruth- to put too fine a t, he deals with like a mincing e has two verbal th of which he great skill accord- h will inflict the ge on the man who e cross him: one s sharp stiletto; the ty brutal club" was t of a jaundiced Singapore's progress. Just one encounter s contrariness that on time to time in Singapore's develop- reat growth so far uted to the political

stability of Mr. Lee's cast-iron grip; but this same unyielding hold also prevents useful discussion and debate. His idea of democracy, according to Alex Josey's biography, is a stern one: people should be allowed to vote in an election once every five years, the time and terms to be selected by the govern- ment of the day.

Power positions

Some friendly observers have already begun to feel disquieted about the way Mr. Lee's very possession of power may make it difficult for any successor. He holds interlocking power positions, commanding the major posts of the State. He is Prime Minister; he is Secretary-General of the People's Action Party, which he founded; he has close associations with the trade union movement: "It would not be so bad if Singapore were a bigger place and people had more room to move. But Singapore is really like a rather more compact Birmingham. Because Mr. Lee is such an intelligent man, he is not stretched far enough on big issues so he masters every little thing that is going on in the island."

As far as one can tell, channels of communication within the PAP are strictly regimented, which is believed to take a lot of the steam out of grumbles and rumbles but may also act to squash new ideas. There are two points involved here. First, there is no guarantee that any successor will occupy all these positions of power, which almost certainly means that there will be confusion and jockeying for place under a new Prime Minister. Second, Mr. Lee's way of exercising his power may also cause a major upheaval over the actual succession.

There are well-entrenched Chinese traditions under which a leader enjoys "the mandate of Heaven," and such concepts as a parliamentary opposition are alien. Either a leader enjoys the strength of the mandate of Heaven and must be obeyed utterly, or he is weak and may be challenged by anyone who fancies his chances in a fight. Singaporeans point out that Chinese secret societies still flourish, although they are not as numerous as in, say, Hong Kong, and could prove dangerous in the confusion of a new ruler taking over but without all the power strings held by Mr. Lee. There are some who go even further and assert that the PAP is beginning to lose some of its drive and hold over a new generation who have known nothing but increasing prosperity and growth. Looking through the ranks of younger PAP leaders it is difficult to spot anyone of Mr. Lee's stature, or even that of the deputy Prime Minister, Dr. Goh Keng Swee.

This accords with what Mr. Lee himself said, that "when I entered politics, my deposit was my life. So it was with my colleagues of the 1950s and early 1960s. To-day, politics is just one of several career options to the younger generation, and not a very attractive one. They know a politician has his public conduct and sometimes even his private life under the public microscope. His private life and his family's are all fair subjects for public comment. It is extremely hard to find good men to go into politics. They need to have strong convictions, a sense of mission, to take up the cause of their less fortunate people. But we keep trying, and a few are found every few years."

Mr. Lee has no immediate plans for leaving Singapore politics, but he has said that he hopes to see someone else in charge by the general election after next—in nine years' time.

One tricky political problem Mr. Lee is facing concerns the definition and distinction of a Singaporean. With such a preponderance of Chinese (who form 78 per cent of the population), Singapore does not have to worry about maintaining a racial balance in quite the urgent way Malaysia does, although Malays, Indians and Eurasians have a fair and judicious sprinkling of the top jobs. But if necessary, the Chinese can simply tell the Malays that if they don't like the situation, they can walk off the island.

Because there are so many Chinese, however, the difficulty is to identify what distinguishes a Singapore Chinese from a mainland Chinese. Isn't Singapore only a "third China"? This problem is reflected in a split between Singapore citizens who were "Chinese-educated" and those who were "English-educated." This refers to the language in which they were first taught at school. In the colonial tradition, those who reached the top were those who did things well and in a way which the colonial masters could understand and appreciate. This meant by and large that the people who took the top jobs spoke English at school and went to western universities, like Mr. Lee himself and most of his Cabinet: those who were Chinese-educated were not properly understood by the colonial rulers so had to take inferior positions and inferior pay. This naturally created resentment, especially when the old ways were perpetuated in a newly independent society.

Mother tongue
This problem was complicated by the fact that the Chinese in Singapore had an ancient tradition and culture. What was more, they could look to their old homeland which was following a different pattern of development. Chinese, that is Peking-orientated, chauvinism was not too difficult to foster among these people who felt left out.

Mr. Lee has tried hard to overcome this difficulty by effectively making schools bilingual. A child learns its mother tongue and another language, usually English if that is not his first language. The hope is that soon everyone will be able to speak English and a free competition will be possible for all jobs. But at the moment there are still people in their 30s and 40s whose principal or only language is Chinese and who still feel resentment.

The fact that Peking has lifted its "bamboo curtain" has tended to complicate matters. Against Mr. Lee's plan it makes Singaporeans more aware of their Chinese past. But on the other hand, the Chinese chauvinists feel awkward and confused when the country they worship is holding meetings with their arch-capitalist enemy, Richard Nixon, and his running dogs, has established diplomatic relations with Malaysia, and is even sending ping-pong teams to Right-wing Thailand. Most of all, they may feel that China is not assisting their Communist brethren as much as it should. The visit to Singapore by the Peking table tennis team passed off quietly enough, and Mr. Lee Kuan Yew is opening his door

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

report: "Yes, Peking has made great strides, but in a totally different direction from Singapore, and the revolution would be trusted to come back and not transplant"

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

cautiously. Teams of professional people over 40 have been allowed to visit Peking; they are the sort of people who can be trusted to come back and not transplant

حکومت الرشید

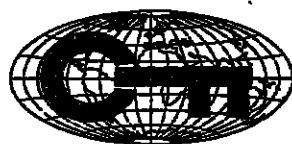
FROM TOMORROW FAR EAST DEALING BECOMES EASIER

As international currency brokers, we at Charles Fulton are very aware of the need to combine swift, accurate, international communication with an intimate knowledge of local market conditions.

That's why on October 2nd, 1973 we are extending our coverage of Eastern markets from Singapore with the opening of new offices in Hong Kong and Kuala Lumpur. From that day, we'll be unique—the only brokers with offices on the spot in all three of these financial centres.

Whether you are dealing globally or locally, we feel sure that bringing the East a little closer to London will help us to help you.

Our man in Hong Kong is Mr. Bev Robinson. In Kuala Lumpur it's Mr. Brian Staggs. We're open for business tomorrow.



Charles Fulton & Co. Ltd.

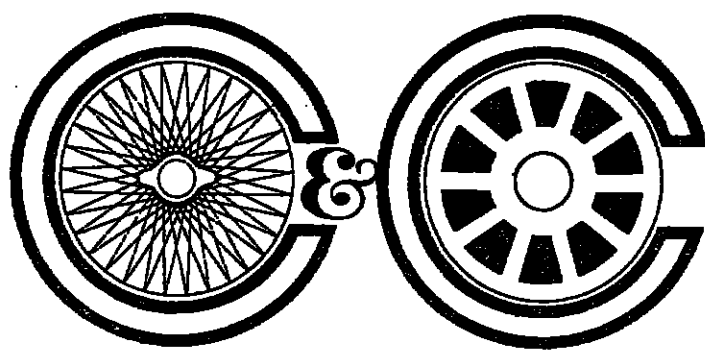
Member of the London Foreign Exchange and Currency Deposit Brokers Association
34-40 Ludgate Hill, London EC4M 7JT Tel: 01-248 3242
Telex: 887191/3

Charles Fulton (Singapore) Ltd., 1511/12 Shing Kwan House,
50 Shenton Way, Singapore 1. Tel: 914 333, 914 666. Telex: 21163/4
Far East President—H. G. Webb, Local Director—R. B. Phelan.

Charles Fulton (Hong Kong) Ltd., The Sincere Insurance
Building, 16th Floor, West Wing, 4 Hennessy Road, Hong Kong.
Tel: 5-280024/33.

Charles Fulton (Malaysia) Sdn. Bhd. (Incorporating
D. C. M. Staggs), Yee Seng Building, Jalan Weld, Kuala Lumpur.
Tel: Kuala Lumpur 86790.

Also in: Brussels, Luxembourg, New York, Paris, Toronto, Zurich.



When doing business in Singapore and Malaysia, team up with The Cycle and Carriage Group.

We have been trading in Singapore, Malaysia and their neighbouring countries since the turn of the century and have acquired a thorough knowledge of the markets. Our activities include every aspect of vehicular transport and extend into the fields of cargo handling, warehousing, electrical, industrial and marine engineering, general imports and exports.

We assemble a wide range of vehicles from Daimler-Benz for both private and commercial use. We also manufacture and export their Mercedes-Benz bus bodies under license. From Mitsubishi, we import passenger cars and light commercial vehicles.

Through our joint-ventures with multi-national corporations, we are able to provide the full range of merchant banking services and leasing facilities. In addition, we supply heavy engineering equipment, airport support facilities and automotive electrical and fuel-injection systems.

The following statement bears testimony to our strength and growth:

	S\$ 000's		
	1972	1971	1970
Profit before tax	17,696	14,175	9,994
Gross earnings per ordinary share	88¢	71¢	50¢
Dividend per ordinary share	23¢	20¢	15¢
Ordinary shareholders capital employed	39,064	31,929	25,594
Return on capital employed	45%	44%	39%

Our search for new and better ideas is unending, and we welcome new partners in our drive for progress.

Enquiries: The Managing Director,
Cycle & Carriage Limited,
41/43 Orchard Road,
Singapore 9.

SINGAPORE IV

Inflation begins to
cut into growth rate

By KEVIN RAFFERTY

By its own high standards Singapore's economic performance slipped last year; and in the past few months it has encountered some heavy weather which may turn 1973 into an even more disappointing year.

The Government expects the economy to grow at an annual 15 per cent for the next few years, but last year only 13 per cent was achieved, "a creditable performance by international standards but disappointingly short by 2 per cent of our targetted 15 per cent annual growth rate" as the Government Budget survey puts it.

Because Singapore has no deflator all rates are expressed in current factor prices. However, annual real growth over the past few years has been at a rate of about 11 to 12 per cent because the price index has remained remarkably steady—even making allowances for the claims of Government critics that its base is six years out of date. Thus the consumer price index stood at 111.4 in 1968 (1960=100), actually fell to 111.1 in 1969, before rising modestly to 111.5 in 1970 and to 113.6 in 1971.

This stability has been shattered in recent months. The consumer price index for 1972 showed another apparently modest price rise, to a figure of 116.0. But this cloaked a violent rise in the later months of the year. On a monthly basis the December index was 121.7, and this year prices have gone zooming on. In April the index stood at 129.6, the May figure was 135.7. The sum of this is that this year the Government should have no difficulty in achieving its 15 per cent growth, but it will have a real problem in deciding how much of it is real.

As far as last year's performance is concerned, the swing from trade to manufacturing continued, but trade is still the main contributor to the economy, making up 27.1 per cent of GDP, against 23.5 per cent by manufacturing. Trade grew at 7.3 per cent last year, marginally higher than the previous year, but was seriously affected again by troubled world monetary conditions. Manufacturing grew more slowly last year than recently, by 20.1 per cent compared to 25 and 27.5 per cent in the two preceding years, a decline which "gives cause for some concern as to whether it evidences an adverse trend" in the official view.

Trade deficit

The recorded trade deficit widened in 1972 to \$53,402m. against \$53,283m. the previous year, but Singapore still managed to achieve a balance of payments surplus of \$556m. \$512m. lower than in 1971. (Bank of America economists calculated, however, that the registered trade figures underestimated export earnings by more than \$530m. in 1969, \$555m. in 1970 and \$585m. in 1971, with smuggling presumably accounting for the difference. Its sums were based on the discovery that gross domestic savings, worked out by adding the balance of payments current account to gross investments, transfers, and net factor income, came to minus \$518m. in 1971, compared to a calculation of plus \$563m. by subtracting total consumption from GDP. It may be pointed out that errors and omissions have traditionally accounted for a large sum in the Singapore balance of payments).

Growth in gross domestic capital formation was 22.5 per cent, markedly lower than the 35.8 per cent and 44.2 per cent of the previous years, and nearly half of capital formation in 1972 came from building and other construction works. Manufacturing investment also fell sharply to \$525m. from \$571m. the year before. The bulk of the drop was caused by the "pause" in petrol refining investment which contributed \$285m. in 1971. But the Government was pleased that electric and electronic products, which it regards as "growth industries of the future," formed 40 per cent of last year's commitment, and that low-technology industries were being squeezed out.

So far this year exports have grown faster than imports, and the trade gap narrowed slightly in the first half of this year. In the first quarter of 1973, however, the index of manufacturing production fell from 147.2 to 140.6, although a similar fall had been recorded in the first quarter of last year. As far as long-term growth is concerned, the Government has made its own projections but they are secret. However, according to 5 year projections made by the Bank of America last year, 11.5 per cent annual real growth is possible for Singapore, given certain assumptions of which the main ones are:

- the family planning programme leads to a gradual reduction of population growth;
- the high priority given to education persists, with increased emphasis on technical and vocational education;
- the Government continues with its tough labour policies;
- the long-term objective is "the promotion of modernisation in all sectors of the economy and its transformation into an increasingly outward-looking cross-roads of international economic activities";
- Singapore continues to attract direct foreign investment that a high degree of financial stability will be maintained;
- relations with Malaysia and Indonesia improve;
- the inflow of foreign workers continues, reaching 30 per cent of the total indigenous employment by 1977;
- inflation is kept under control.

Firm grip

The continued political stability of Singapore on which so much hinges does not seem to be in doubt. Lee Kuan Yew has a firm grip on all aspects of life in the State. The republic will continue to try to attract foreign investment, partly because having chosen that path, it has no alternative but to stay on it. Minor doubts concern population growth which has risen in the past two years to 1.7 per cent, having been cut back previously to 1.5 per cent. However, additional inducements, including the removal of income tax allowances after the third child and increased hospital fees for babies after the third are likely to have an effect on a people as money conscious as those of Singapore.

The more questionable assumptions concern dependence upon foreign labour and inflation. The Finance Minister, Mr. Hon Sui Sen, has refused to publish the findings of the Government study of foreign labour needs. But the Bank of America reckoned that with no further change in the participation rate (not quite 60 per cent), the labour force would increase annually by 3.5 per cent to 896,000 in 1977; if the participation rate continued to increase, the labour force would grow by 5 per cent to 973,000.

At the time of the Budget the Government was optimistic that it could pay 9 per cent wage rises to the workers because its competitors in developed countries were paying 12 per cent, and therefore Singapore's costs rose by 13 per cent against 3 per cent by competitors. Clearly this arithmetic becomes more difficult when Singapore is going through a period of soaring inflation—whatever its source. Money supply increased by 24 per cent in the year to June 1972 and

CONSUMER PRICE INDEX

April/May, 1960 = 100					
Period	All Weights...	Food	Housing	Clothing	Misc
	1,000.0	507.1	148.6	58.9	235.
1968	111.4	114.6	110.2	104.1	107.
1969	111.1	112.2	112.5	106.3	109.
1970	111.5	111.5	113.9	106.8	111.
1971	113.6	114.3	116.0	109.7	111.
1972	116.0	117.4	117.7	111.7	113.
1971 December	115.0	116.5	117.2	111.1	112.
1972 February	115.1	116.6	117.1	111.6	112.
April	113.6	113.6	117.3	111.3	112.
July	115.1	116.2	117.9	111.4	112.
August	116.1	118.2	117.8	111.4	112.
September	116.9	119.6	117.9	111.8	112.
October	116.8	117.3	118.0	112.3	116.
November	117.9	119.2	118.4	112.8	116.
December	121.7	126.5	118.6	112.3	116.
1973 January	121.7	126.2	118.6	113.3	117.
February	127.5	133.8	121.7	113.8	122.
March	128.6	134.6	121.7	113.6	122.
April	129.6	135.4	122.4	113.7	123.
May	135.7	145.6	124.6	115.9	123.

if it does not import by another 20 per cent. of foreign labour, certain sections of the economy might run short. Already there are signs of the country being squeezed at both the top, because Singaporeans are not qualified for leading management jobs, as well as at the bottom, because they refuse to do dirty or unrewarding jobs. On the other hand, if Lee Kuan Yew allows foreign labour, he may encounter a political problem. And again there are signs of this. The Secretary-General of the National Trades Union Congress admitted that there had been problems over promotion of non-Singapore citizens. Piling on restrictions on migrant labour may also invite trouble.

The rise in prices, too, constitutes a difficult problem, particularly because it means that this year's 9 per cent wage rise has already been swallowed up and the Government is not prepared to add fat to the fire by granting extra rises to cover the price hikes. To some extent there is a temptation to shrug off the inflation as "imported," but Singapore is in a peculiarly vulnerable position. Because it has no natural resources it derives no benefit from the world commodity boom. Because it is not self-sufficient in any food apart from poultry and pigs it has again been badly hit, particularly by the spurt in rice prices.

At the time of the Budget the Government was optimistic that it could pay 9 per cent wage rises to the workers because its competitors in developed countries were paying 12 per cent, and therefore Singapore's costs rose by 13 per cent against 3 per cent by competitors. Clearly this arithmetic becomes more difficult when Singapore is going through a period of soaring inflation—whatever its source. Money supply increased by 24 per cent in the year to June 1972 and

Financial centre

The deep water port facilities and Singapore's growth financial expertise enhance its lead. Although some claim that Singapore has to set up its financial shop going to a textbook of facilities a financial centre should have, then immediately following the rules and regulations of the facilities, a regional financial centre, time-zone position gives advantages over Hong Kong, Tokyo. Neither Tokyo nor London wanted to be the primary Asian financial centre; it opened its doors fully Singapore would be blown over in the business sweeping to Japan—nor Sydney appears to have any global ambitions financial centre. Dreams of a "Zurich of East" may be misplaced. Singapore does not offer haven of tax secrecy of Switzerland, but many well-qualified experts think Singapore could soon emerge as the "City of London of the East."

Now the Inchcape bell
strikes a happy note...

Fifteen miles out into the North Sea, off the wind-battered coast of Scotland, there is a small rock which bears the name of Inchcape. For generations, it was marked with a bell in an iron cage rung by the stormy seas to warn sailors of the hazard.

Tradition said that the good Abbott of Aberbrothok had put the bell there.

In 1852, there was born in Arbroath, a hardy coast town which faces the Inchcape Rock, a son of a Scottish sea-captain who was

to take the name of Inchcape into the wide world of commerce and trade.

He was James Lyle Mackay, the founder of the Inchcape Group of companies, with more than 260 subsidiaries around the world today.

In Singapore and Malaysia, Inchcape Berhad is the holding company for three of the largest and most diversified groups in this area:

Anglo-French Holdings
Borneo Berhad
Motor Investments Berhad

Together we buy, extract, process, manufacture, distribute, market, sell, lease or own just about everything you can think of.

Our unique expertise is part of the reason for our success. Our flexibility is another.

Like the old Inchcape bell, we work well when the going gets rough.

For a copy of our latest Annual Report, as a first contact for talks — please write to the Chairman, Inchcape Berhad, 71 Robinson Road, Singapore 1.

INCHCAPE BERHAD

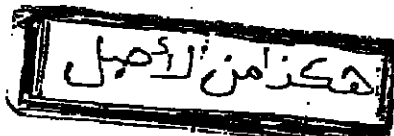
Tel: RS 21400 Telephone: 76181 Cable: BORNEO Singapore
A member of the Inchcape Group; Head Office: 40 St. Mary Axe, London E.C.3.

What's in a name DBS

The Complete Bank

We provide the complete range of financial services to suit your needs - for Industry, Business or The Individual. From Long-term Loans. Working Capital financing, Risk Capital sharing, Underwriting, Financial Advice including reorganisation of corporate structure to Hire-Purchase and Lease Financing. Housing Loans too. Plus the complete range of Commercial Banking facilities from Current and Savings Accounts to import and export financing. Consult the experts. Come and see us. Our financial experts will help you chart your course to success.

Nothing is too big or too small for us. After all, we're the Complete Bank.



THE DEVELOPMENT BANK OF SINGAPORE LIMITED
DBS Building, Shenton Way, Singapore 1. Tel: 916111.

The new Lancia Beta, a motor car in the great Lancia tradition



The distinctive, roomy body has four doors and ample space for five people with luggage.

A specially designed, depolluted twin overhead camshaft 1800 cc engine drives the front wheels through a smooth five speed gearbox.

It gives the Beta a top speed of over 100 m.p.h. All round independent suspension and front wheel drive combine to give exceptional road holding and stability and ensure an extremely safe and comfortable ride.

The dual circuit, servo-assisted brakes (discs all round), fitted with a balance limiter, bring the car safely and quickly back to a standstill.

There's also a host of safety features and standard fittings usually found only on more expensive cars.

Come round and let us show you just how impressive the Lancia Beta is.



Concessionaire for Singapore:
Sharikat Fiat Distributors (Malaysia) Sdn Berhad
99B/101B Tanglin Road, Singapore, 10

Lancia (England) Ltd., Alpeton, Middles. Tel: 01-998 5353

ST. COREA

told the September GATT in Tokyo, more than other countries, depends upon international economic growth. Singapore's trade from entrepot to its manufactured to-day the country in a major search for markets abroad. Singapore's export trade has four components: to attract establishments; to attract investors; an export-oriented build-up of a large and skilled work force; and vigorous sales pro-

Pessimists can still point to a visible trade deficit. But the latest figures show that the gap is narrowing. January-June imports amounted to \$25,590m., exceeding exports of \$23,960m. During the same period last year the figures were \$24,498m. for imports and \$23,799m. for exports. Trade officials are optimistic that this trend will continue.

The latest figures show that trade with the U.S. has overtaken Singapore-Japan trade. The U.S. has replaced Japan as Singapore's leading trade partner and Singapore-U.S. trade shows a hopeful upward trend. Singapore's exports \$5713.23m.

the correct kind is crucial," a trade Singapore wants the "pyjama and type of indus- it believes there efficient that in 50 percent who would-be to garment factories (vised to try neigh- quities which are now phase of indus- Singapore's stress quality industry, and name products can be assured of ready sale in its. Rollei cameras in industrial equip- ment examples. Singapore's experts believe trade statistics for of 1973 signify a

Trade missions, exhibitions and participation in trade fairs are part of Singapore's overall sales promotion campaign. An Export Advisory Committee was set up in April to help the government increase Singapore's export sales. The committee comprises representatives from the Finance Ministry's Trade Division, the Economic Development Board (EDB), the International Trading Corporation (INTRACO) and the Chambers of Commerce. Detailed planning is carried out by an export promotion unit, also recently formed. The export promotion unit locates potential markets abroad and sometimes visits them. It also maintains touch with foreign buyers.

To improve quality, Singapore has organised a "progress through quality and reliability" campaign, involving owners and workers and going right down to committees on the factory floor. Meanwhile, Singapore representatives are hopeful that the "Nixon Round" of GATT negotiations commencing in October will remove a sufficiently large number of tariff and non-tariff barriers to bring about an overall increase in international trade from which the Republic can benefit.

**Shipbuilding and ship repair yard of Vosper Thornycroft Uniteers (Private)
at Tanjong Rhu.**

By DICK WILSON

Ministry of State for Trade and Industry, has personally campaigned, since his return from his sojourn in Singapore early this year, for British exporters and investors to take this market more seriously and to reap the full advantages of the business opportunities which the Singapore boom offers.

It would be no exaggeration to say that, after the obviously dominating export growth areas of North America and Europe, the Department of Trade and Industry regards South East Asia (centring on Singapore) as the next most important region of the world to cultivate.

Conversely, with Singapore all set this year almost to double its exports to Britain, after the January-June period was of £34m. and much larger proportional rises were recorded in chemicals, textile fabrics, beverages, pharmaceuticals and miscellaneous metal manufactures.

Yet the British share of this £1,000m. a year market continues its slow, barely perceptible decline. From 10 per cent seven years ago it fell

One message which Mr Walker has brought back from his visit is the need for many British manufacturers to modernise their selling arrangements in Singapore. He was highly impressed (as was his former business partner Mr

In a controversial article in a London daily after his return, Mr. Walker criticised the old-fashioned agency system and said that if British products were to compete in Singapore they would have to adopt a new style of selling.

Personal letters

Furthermore, he wrote personally to at least 20 major British manufacturers and service firms urging them to reconsider the question of investing in the Republic. "He gave them a prod," as one official puts it, "and they ar-

Furthermore, he wrote personally to at least 20 major British manufacturers and service firms urging them to reconsider the question of investing in the Republic. "He gave them a prod," as one official puts it, "and they are

Another symptom of the greater interest is the growing number of sales missions from the U.K. now to be observed in Singapore — this year exceeding an average of one every four weeks.

Materials Export Group and the Design Council.

Lined up for missions to Singapore next year are the Leicester and Birmingham Chambers, the Ship and Boat Builder Engineers Association, the British Cement Plant and Machinery Group and the Hydraulic Association of Great Britain.

cases, this means that canned pineapple and palm oil, which now enter Britain duty-free will eventually have to climb a tariff wall of 22 per cent. and 13 per cent. to 15 per cent. respectively — while the EEC's associated States in Africa and the Caribbean will be able to sell in Britain at preferential rates.

Another indicator of the intensification of British interest in the Singapore market is the fact that the DTI put out last year no fewer than 830 so-called EIS cards with information about opportunities in Singapore prepared by the British mission there and fed out to U.K. firms en masse.

In the Singapore market is the fact that the DIT put out last year no fewer than 830 so-called EIS cards with information about opportunities in Singapore prepared by the British mission there and fed out to U.K. firms by computer.

Traditionally this trade has always been in Britain's favour. The surplus fell in the 1967-68 period when British sales to Singapore were stagnating but from 1969 onwards the U.K.

Singapore's competitive position will therefore be attacked at both ends simultaneously. Singapore's commercial negotiators in London and Brussels lose no opportunity of complaining about this. Yet behind their concern is a certain underlying confidence of the ability of their own producers and marketers, widely recognised as more efficient than their African rivals, to absorb the higher

Now the trend looks like reversing. Whereas British sales to Singapore are 18 per cent up in the first half of 1973, Singapore sales to Britain have risen by a staggering 87 per cent—from £17m. to £32m.

In consequence the British visible trade surplus for 1973 looks like falling back to its 1970 level of only £30m, or so. The most obvious explanation of this is the recovery of commodity prices. Britain's rubber bill from Singapore this year

But this is only a part of the story. The other is that Singapore's export manufacturing industries are now climbing into gear and have begun to

Britain's imports of non-electric machinery, for example, have grown by over 130 per cent in the first half of this

Electronics sales are up by over 120 per cent. to an annual rate of \$10m.

Considering that five years ago these figures were virtually nil, this is, from Singapore's point of view, a most gratifying dividend on the investment which the Republic has put into its infant industries.

he osmopolitans

We believe that design, research and construction are composite parts of a single process. And this is a belief that we put to work all over the world whether we're building in the sophisticated capital city of a fully developed industrial nation or deep in the bush or desert of a developing country.

In five continents over the past fifty years, we have constructed commercial and public buildings, marine and hydraulic works, industrial structures, pressure vessels, nuclear power stations — an enormous range of vastly different projects both large and small, but whatever their size, always with the skilled attention and full support that can only result in maximum speed and economy with the finest quality construction.

There is no substitute for local knowledge—and that's something we've got plenty of—wherever you're planning to build. We hope you'll call us in at the earliest possible stage so that you can benefit fully from the experience of our teams who are truly fluent in international techniques.

If you would like to know more about us, please contact Emil R. S. Coppock, Taylor Woodrow International Limited, Western House, Western Avenue, London W5 1EU. Telephone: 01-997 6641. Telex 23503.

Or John Bevan B.Sc. (Hons), F.I.C.E.,
Taylor Woodrow International Limited,
4th Floor, A.I.A. Building, Robinson Road,
Singapore 1. Telephone: 912 136.

**Or David Foice B.Sc., M.I.C.E., Taylor
Woodrow International Limited, 3rd Floor,
Wisma Damansara, 5 Jalan Semantan,
Damansara Height, Kuala Lumpur, Malaysia.
Telephone: 299165-6.**

Taylor Woodrow


Taylor Woodrow
International Ltd.

**The world-wide team of engineers,
constructors and developers**

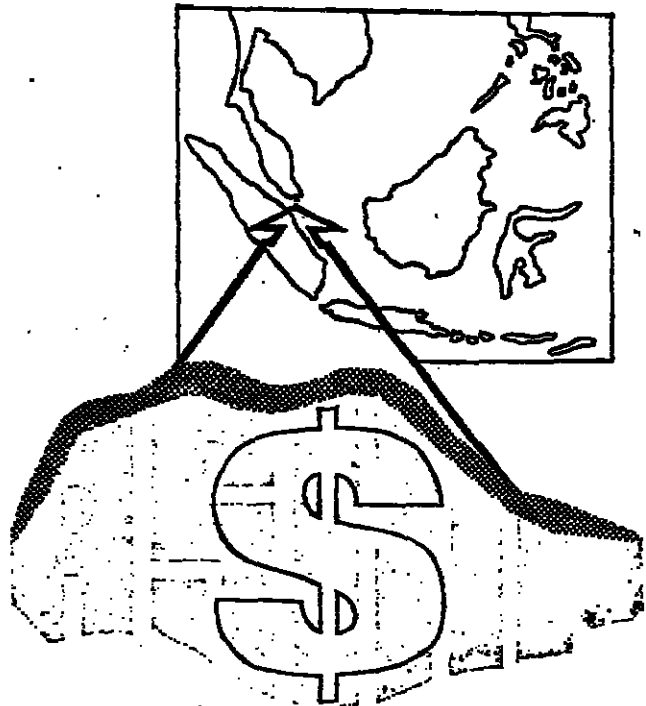


soon Wharves, Singapore. Construction by Taylor Woodrow International Limited
inure with Dillingham Overseas Corporation of Honolulu under Taylor Woodrow Management.
t of Singapore Authority. Consulting Engineers, Sir Bruce White, Wolff Barry & Partners.



Pharmaceutical Plant, Singapore for Beecham Pharmaceuticals (PTE) Limited
The design, construction and equipping of a pharmaceutical plant for the production of semi-synthetic penicillin on a 12 acre (4.8 hectare) site on the Jurong Industrial Estate, Singapore.

OCBC has all the plusses working for you in the Asian Dollar Market.



INSTANT SERVICE

Through direct telephone and telex communications.

PROFESSIONALISM

From skilled and experienced professionals with proven dexterity in international finance.

WORLD-WIDE LINKS

Via OCBC's overseas branches and correspondents in every major city.

DIRECT LINES TO TRADING ROOM: 93192, 914801, 914802.
TELEX: OVERSEA RS 21209, OCBCFX RS 21165.

OCBC
Oversea-Chinese Banking Corp. Ltd.

London Office: 108 Cannon Street, London EC4.
Head Office: Upper Pickering Street, Singapore 1.
Overseas Branches in Amoy, Shanghai, Hongkong, Kowloon, London and Tokyo.
Correspondents in all the principal cities of the world.

SINGAPORE VI

Growing sophistication in the financial community

By SOH TIANG KENG

Only five years ago "Asian dollars" and even "merchant banks" were strange-sounding terms in Singapore. Now they are household expressions. The rapid growth of the Asian dollar market and the invasion of merchant banks are the outstanding features of Singapore's plans to become the "Zurich of the East."

Pioneered by the Bank of America in 1968, Asian dollars have drawn big names in international high finance to Singapore. In sheer size, Euro-dollars with deposits of over \$US\$80,000m. still dwarf the Asian dollar market in Singapore, but the potential for Asian dollars is regarded as tremendous as the bulk of the market remains to be tapped. At the end of last year, deposits of Asian dollars in Singapore reached \$US\$3,300m. In 1971, deposits were only \$US\$1,100m. and back in 1968 deposits amounted to a mere \$US\$332m.

Merchant banks

Merchant banks made their debut in Singapore only in 1970. Now there are 16 of them with British, European, American, Japanese, Australian and local interests. As with the growth of Asian dollars, rapid economic development in South-East Asia has lured merchant banks to Singapore, to be the base of their operations in a capital-hungry, fast-growing region.

An extension of the Euro-dollar market, Asian dollars are simply U.S. dollars and other selected currencies deposited in Singapore and Asia and lent out to the region. As with Euro-dollars, scepticism greeted the birth of Asian dollars five years ago. Many bankers doubted their viability, but success has proved the cynics wrong.

Until 1971, the Asian dollar market was a net lender of funds to the Euro-dollar market. This gave rise to charges in certain quarters that "poor countries of Asia are subsidising rich nations in Europe." But from mid-1971, the situation was reversed with Singapore becoming a net taker of funds from Europe. The turn-about was due to falling in-

terest rates in Europe and the expanding capital needs which produced new outlets for loans.

The emergence of Asian dollars as a regional mechanism to finance trade and investment is regarded in the area as a welcome development in view of the disintegration of the sterling area. Some economists feel that the demise of the British-led currency bloc, has reduced financial facilities available to nations with sterling area ties.

To ensure the success of Asian dollars, which have been used to support projects ranging from chemicals plants to the purchase of Boeing jets, the Singapore Government has backed the market strongly. It has slashed tax barriers, abolished the 20 per cent liquid ratio for Asian dollar deposits and relaxed rules to enable local corporations and residents to invest in the market. To allow wider participation, the Government granted Asian dollar licences to merchant banks and permitted more commercial banks to come to Singapore by issuing "off-shore" licences to take part in Asian dollar and foreign exchange transactions. This year, for example Barclays Bank International and National Westminster were given "off-shore" licences. The number of commercial banks with branches in Singapore has swelled to 54, including 11 local banks. Out of this 54, seven are holders of "off-shore" branch licences. Ten years ago, there

were 33 commercial banks.

One crucial advantage of Singapore as a financial centre is its position in the world time zones. Being only 6 1/2 hours ahead of London, the republic has a working day overlapping that of London and other European financial centres. This means that money dealers in Singapore can contact their counterparts in Europe, as well as Asia, Australia, during normal working hours.

Good borrowers

About 90 per cent of Asian dollars are in U.S. dollars. The rest are mainly in Deutsche marks, Swiss francs, French francs, Yen and sterling. The main depositors are multinational corporations, regional companies, rich businessmen, Asian central banks, government bodies and foreign banks, major borrowers are central banks, development banks, commercial banks, multi-national firms, local and regional companies. The bulk of Asian dollar loans are channelled into the Asian Pacific region. A big problem is the lack of good borrowers in the region. In extending Asian dollar loans, banks look for borrowers able to generate an adequate supply of hard currencies to repay their loans.

Singapore monetary officials do not feel alarmed by the emergence of other Asian dollar centres—Hong Kong and Tokyo are sometimes cited — to challenge Singapore's pre-eminent position. The general

feeling is that their roles will be complementary rather than competitive as the Asian dollar business will grow big enough for all to share. Although initially, Singapore's commanding position in the market would be squeezed by greater competition from them, taking a long-term perspective, the entry of sophisticated partners like Tokyo and Hong Kong would produce a "multiplier" effect generating considerable expansion of the market.

Last year the Singapore Government floated a 15-year \$US\$20m. bond. This marked a transition of Asian dollars from a short-term and medium-term to a long-term market. Singapore-based merchant banks have played an active part in managing and underwriting the bond issues.

As far as merchant banks are concerned, South-East Asia represents the new frontier for merchant banks. The rising tempo of industrialisation, expansion of companies, mergers and acquisitions and adoption of modern technologies require a broad spectrum of financial services. Most of the merchant banks which have opened offices in Singapore are joint ventures, some involving local partners. Partners in such joint ventures come from varied backgrounds including commercial banks, merchant banks, discount houses, securities firms and even a motor and transport enterprise.

In the Singapore stock market, merchant banks have

Regional growth

All current political economic indications in the region seem to favour growth of the Asian dollar market and expansion of merchant banking activities. In Asia, with its abundant natural resources and tremendous economic potential is now on the road to economic recovery. In the Philippines martial law, though distant to some, has laid the basis for long-term political and economic stability which many foreign investors find attractive. The present Vietnam situation regarded as encouraging millions of dollars will be needed to finance the reconstruction of the war-battered economy. Easing of cold-war tensions between China and U.S. opens new possibilities for trade between China and West. Singapore is the natural centre of the area.

The rise and fall of the stock market

By TSAI TAN

After three months of drifting slowly but persistently lower, the Singapore Stock Market appeared to have reached its floor level when the Straits Times Industrial Index touched a new 1973 low of 289.71 early in September. Since then the market has recovered sufficiently to be bobbing above the 300 level, and observers generally hold that the worst of the bear raids are over.

Ironically, exactly a year ago the Industrial Average was standing at the current levels and most observers then considered such heights to be "unnatural" and could not be sustained. Instead, share prices moved against all these predictions pushing the index to an all-time high of 611 in mid-February this year.

After that glorious peak, however, the market received a series of body-blows which, had it not been for its basic resilience and the quality of the stocks listed, might have resulted in a complete collapse of the stock exchange. Happily no such disaster occurred, although stock market lost most of its gloss and glamour.

British interest

The rise and fall of the Singapore Stock Market have been swift and unexpected—all over in 20 months. If any single event could be pointed to as the one factor which triggered off interest, local and overseas, in stocks and shares, it was the well-known and controversial take-over of Haw Par Brothers International by Slater, Walker Securities. That was in May 1971. Around that time, also, overseas—particularly British institutional—interest was kindled in Far East securities. This led to the unbelievably meteoric rise of the Hong Kong stock market.

Shares listed on the Stock Exchange of Malaysia and Singapore (as it was then known) did not escape this interest and in the general run-up, anything and everything quoted was selling at price: earnings ratios of two or even three figures.

The Prime Minister, Mr. Lee Kuan Yew, watched this roaring bull market closely. He believed, he said, that the heady boom did not "reflect the true economic position of the companies, either the value of their assets, their earning potentials or likelihood of future growth. When the economy is developing at about 10 per cent per annum, it is not possible to make 10 per cent per week. The bubble must burst," he predicted, just a few days after

the Straits Times Index touched 611. The bubble did burst. The day following Mr. Lee's pronouncement coincided with the start of half-day trading at the exchange, a measure introduced by the exchange committee to help them cope with the hectic pace of the bull market.

However, coming immediately after Mr. Lee's statement—which many a dabbler interpreted as a policy statement of Government's intention to intervene to cool an overheated market—the start of half-day

trading was also the end of the 20-month long bull market. Between February 19 and the end of that month the index lost 156 points, from 611 in mid-February to 422.

On top of this came a credit squeeze, effected jointly by the Singapore and Malaysian Governments which had asked banks to go easy with their financing of share purchases. When these hints failed to have any discernible impact they, jacked up banks' statutory reserve ratios. The outcome of this combination of events was that the

market continued to sag, with the index barely holding above the 400 level at end of March implying that about 35 per cent had been wiped off share value in less than 1 1/2 months.

Adding to this uncertainty rumours began to fly on the likelihood of a devaluation of the Malaysian dollar against the Singapore dollar, and vice versa. Then a new rumour began circulating. It was rumour that Singapore and Malaysia were going to part ways in the

Continued on next Page

YOSEMITE NATIONAL PARK

Visit this 7-mile long glacial gorge with its sheer 4,000 foot high walls and grassy meadows. In summer follow its trails on foot, bicycle or horseback. In winter enjoy superb skiing or a sleigh ride along snow-covered country roads. And no trip to Yosemite is complete without a stop at the dramatic Yosemite Falls, where tons of foaming water roar over steep granite rocks.

CHINATOWN
Crowds fill the streets, dragons run wild and thousands of traditionally dressed Chinese parade down Grant Avenue, San Francisco during the Annual Chinese New Year Day Parade—held in January or February. During your visit to Chinatown, be sure to leave ample time to stroll through the 24 blocks of curio shops, import stores, and restaurants filled with exotic dishes.

LAKE TAHOE
Here nestled among the heavily timbered mountains on the California-Nevada border, is one of the world's most magnificent lakes. The clear, unbelievably blue waters of Lake Tahoe cover an area 22 miles long and 8 to 12

miles wide. This is the place to swim under a summer sun or ski on crisp winter days. The Nevada side of the lake offers gambling. Many fine lodges, hotels, resorts, cabins and campgrounds dot the shoreline and offer you a wide choice of accommodations.

SAN SIMEON
High atop a bluff overlooking the Pacific, 94 miles south

of Monterey, stands the one-time home of William Randolph Hearst. Now a State Historical Monument, its 123 acres are dominated by La Casa Grande, a 137-foot-high structure as grand and ornate as any medieval castle. Inside you'll discover imported furniture, Gothic tapestries, Italian fire mantels and priceless art works from around the world. Three tours give you an inside view of one of America's most magnificent homes.

WINE COUNTRY
Napa and Sonoma

Between the historic city of Monterey and the quaint village of Carmel on the Monterey Peninsula, nature can be seen in her full glory. Along the 17-mile drive you'll see breathtaking views

THERE'S MORE TO

NORTHERN CALIFORNIA

THAN

THE GOLDEN GATE.

of Monterey Bay, the thickly wooded Del Monte Forest, beautiful rocky shores and one of the most photographed trees in the world—the Lone Cypress of Carmel.

FISHERMAN'S WHARF
A cablecar ride through San Francisco brings you to world-famous Fisherman's Wharf. Here you'll find a huge open-air fish market with giant kettles of steaming crabs. Be sure to try some of the wharf's renowned sourdough French bread. Or dine at one of its many restaurants featuring delicacies from around the world.

WINE COUNTRY
Napa and Sonoma

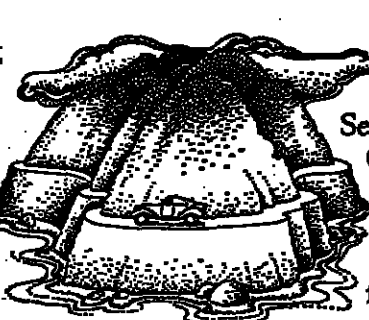
WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma



17-MILE DRIVE
Between the historic city of Monterey and the quaint village of Carmel on the Monterey Peninsula, nature can be seen in her full glory. Along the 17-mile drive you'll see breathtaking views

SAN SIMEON
High atop a bluff overlooking the Pacific, 94 miles south

of Monterey, stands the one-time home of William Randolph Hearst. Now a State Historical Monument, its 123 acres are dominated by La Casa Grande, a 137-foot-high structure as grand and ornate as any medieval castle. Inside you'll discover imported furniture, Gothic tapestries, Italian fire mantels and priceless art works from around the world. Three tours give you an inside view of one of America's most magnificent homes.

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

WINE COUNTRY
Napa and Sonoma

Counties are the heart of the California Wine Country.

In late September and early October you can view the crushing of the grapes. But any time of the year is perfect for a tour of the sprawling vineyards and ancient wineries.

This is the second in a series of advertisements about California. Future ads will explore growth areas and travel attractions.

United California Bank has over 250 branches in California. But we're an international bank, too, with full-service banks in London, Brussels and Tokyo; offices in Hong Kong, Singapore, Madrid, Beirut, Mexico City and Rio de Janeiro; and United California

Bank International in New York.

We hope you'll look us up when we can help you in banking matters in any of our world cities.

UNITED CALIFORNIA BANK

35-39 Montague, London, E.C.2, England 628-9471

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

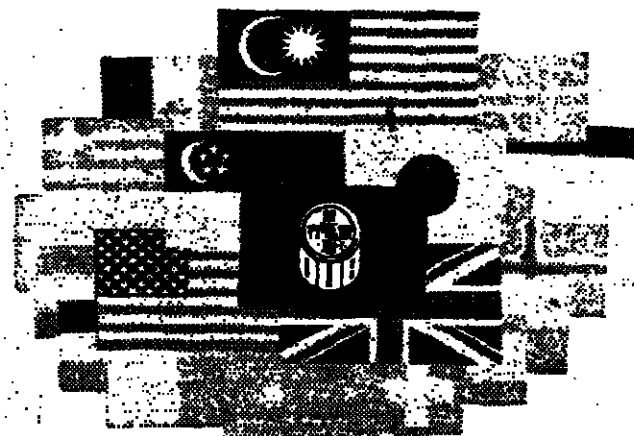
UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

UNITED CALIFORNIA BANK

Almost every major country has a bank in Singapore.

OUB has a bank in many major countries throughout the world.



We are represented by 42 branches in Singapore, Malaysia, Hongkong, Kowloon, London, Tokyo and New York—with international correspondents in all principal cities throughout the world.

Which means that we not only provide an on-the-spot understanding of the business attitudes in Asia and the Far East; we also establish a strong world-wide link with every major country throughout the world.

The Overseas Union Bank has been dealing in Singapore for more than 24 years: providing modern banking facilities, financial expertise and a comprehensive understanding of the Far East market.

If you are thinking of investing in this part of the world, we're the people to see.

OVERSEAS UNION BANK LIMITED

Head Office: Raffles Place, Singapore 1.
Tel: 96081/919655
Cable Address: "OVERSEASUNION"
London Office: 61/62 Coleman Place, London EC2.
Tel: 01-6280361

Singapore dollar shows its strength

LANG KENG

re dollar was put interchangeably at par—an arrangement which lasted until the complete dollar "split" in May this year. As to the effects and implications of this "currency divorce" on Singapore, the split paves the way for Singapore to adopt a more liberal foreign exchange policy in line with its development as the "Zurich of the East." It enables the MAS to pursue a more independent and flexible monetary and economic policy. Policies can be pushed through without consultations with Malaysian financial officials. A good example is Singapore's decision to float the dollar. It creates new patterns in the nature of economic co-operation and trade between the two countries and also puts an end to the joint association of banks of Singapore and Malaysia. This is being replaced by two separate organisations representing banking interests in each territory.

In addition, it triggered the break-up of the joint rubber market of Singapore and Malaysia in August. Malaysia's Finance Minister, Mr. Tan Siew Sin explained that the rubber split was stemmed from "anomalies in the exchange rates" of the currencies of both countries. Mr. Tan maintained that since the currency split, the Malaysian dollar has been at a premium against the Singapore dollar. Since the rubber split, the Malaysian rubber exchange obtains price quotations from different grades of rubber from Malaysia brokers and dealers only. A further effect is that it makes Singapore more sensitive to world interest rates. In setting lending and deposit rates, monetary officials have to take greater considerations of interest rates in other world financial centres. It has also accelerated efforts to establish a central bank for Singapore through a merger between MAS and the Currency Board. Establishment of a central bank is likely to take place next year or early 1975.

The currency split was inevitable. Singapore and Malaysia have different economic bases, dissimilar levels of development and economic and monetary policies which do not often harmonise. An urban economy, Singapore, largely

dependent on trade and services, is rapidly blossoming into an important financial centre. Malaysia, on the other hand, is basically a rural-based economy and producer mainly of primary commodities.

Easy exchange

As expected, the split has led to inconvenience to traders, businessmen and travellers in both nations. Formerly accustomed to easy exchange of both currencies at par, they are now grappling with a new situation where separate quotations for the two currencies are given. But it has not sapped the strength of the Singapore dollar, rated three years ago by the International Monetary Fund as "one of the strongest currencies in the world." So far, there has been no run on the local dollar.

The Singapore dollar draws its strength from ample foreign reserves, a high economic growth rate and a healthy overall balance of payments position. Last year, according to official Government statistics, the Republic's total foreign assets soared to \$5,700m. Singapore's reserves per capita of \$US961 compare favourably with top industrial nations like Japan with \$US173 and Germany with \$US406.

Gross national savings last year were \$2,600m. for a population of 2.2m. From 1967 to 1972, the Republic has registered an overall average surplus of \$850m. a year. The overall performance of the national economy was reflected in the Gross National Product which grew at the rate of 13 per cent in 1972. Average annual growth of GNP from 1966 to 1972 was 13.9 per cent at market prices.

Since the Singapore dollar started to float on June 20, it has appreciated between 7 to 8 per cent against the old parity of \$S2.65 for one U.S. dollar. Spelling out the reasons for the Singapore dollar float, a Finance Ministry spokesman said: "The unsettled international monetary situation affecting the U.S. dollar could get worse before it gets better."

"The weakness of the U.S. dollar to which the Singapore dollar is now linked, has resulted in an artificially low value for Singapore. It has also increased import prices for

Singapore as the U.S. dollar declines against European and Japanese currencies. Further weakening in the U.S. dollar will add to our problems of imported inflation."

To help ensure "an orderly foreign exchange market" the Monetary Authority of Singapore (MAS) has announced its decision to intervene in the market if the need arose. The Finance Ministry has declared its objective of achieving an "optimum" point in the upward float of the Singapore dollar. It defined the optimum float as "one where our cost of living is reduced through cheaper imports of goods, manufactured goods and other materials, but our exports of manufactured goods and services do not go up too high as to put us at a considerable disadvantage against our competitors."

The Finance Ministry, however, did not specify the percentage figure for the "optimum point." Some senior bankers feel that the optimum should be around 10 per cent under prevailing conditions.

Import prices

The significance of the Singapore dollar float to the national economy is that it should ease the problems of imported inflation because import prices will be lower. But the upward float of the Singapore dollar means that Singapore's exports will be dearer, somewhat blunting their competitive edge in world markets. It should also stem the flood of speculative U.S. dollars into Singapore, checking the growth of excess liquidity in the banking system and the economy. Finally, it should help develop a more active, started to float on June 20, it foreign exchange market in Singapore. More buyers and sellers will come to the scene, providing another stimulus to the Republic's development as a financial hub.

The Government has assured that the Singapore dollar will revert to fixed parity once stability returns to the international monetary scene. But with the present monetary system riddled with crises and uncertainties, it appears that the Singapore dollar will continue floating for quite some time to come.

FROM PREVIOUS PAGE

e stock market

Prices softened in Malaysia's caten of such an idea ve matters. Malaysia's Finance an Siew Sin at the Malaysian no longer be inter- with the Singapore pertinent for the was his announce- cate exchange for All this was ecided upon with prior consultation re. interim period it llers' market and Times blue-chip e-divided to 295 on spite of the swift he pro-tem stock mittees in Malaysia re to set up their ck exchanges—the ur Stock Exchange ck Exchange of nvestors failed to confidence to any

introduced by the ges to ensure a vestment climate— omprehensive core- sure policy which eat details the do's 's for listed com- failed to entice who have had their nt in the recent

speculative blitz. Many observers feel that the hey-days of February will not be seen for a long time. The severe bear raids suffered by the Hong Kong stock exchanges also had their spill-over effects in Singapore and the gloom spread.

Another reason for jitters is the continued current of uncertainty on what the Malaysian Government may do next. As an illustration of this uncertainty, in August a new scare was put abroad that Malaysia was considering putting a stop to the cross listing of Singapore and Malaysian companies on the other's exchange.

Strong denial

A market suffered from the exchange split, dollar split, a credit squeeze and a general indigestion of new issues almost keeled over and the first week of September saw the Straits Times Index falling to its low of 289 for this year. Then Mr. Tan Siew Sin came out with a strongish denial that he ever had such a move in mind and the market heaved a sigh of relief. The index in tandem moved back over to the right side of 300.

However in spite of the present depression there is no

real reason to believe that these difficulties will not pass. The economy of Singapore is strong and all economic indicators are pointing upwards. With a solid economic base, well managed companies, a number of which are selling currently on a p/e of 10 and under, will benefit by way of progressively higher profits. Indeed most of the company accounts released over the past nine months have been good or excellent and in retrospect make previously run-away earnings multiple look more realistic.

The market in Singapore is in many ways superior to Hong Kong's. Among the pluses are better regulations curbing manipulation, a stiff Securities Industry Act which tightens securities dealings and an amended companies Act which not only outlaws corporate raiders, but insider trading of whatever form. There is a Securities Industry Council which shares responsibility for vetting new issues to the market with the Stock Exchange Committee while a city take-over panel and code are in the process of being formulated. The Singapore Government hopes that once the memories of the boom-bust recede into the annals of time the Stock Exchange of Singapore will take

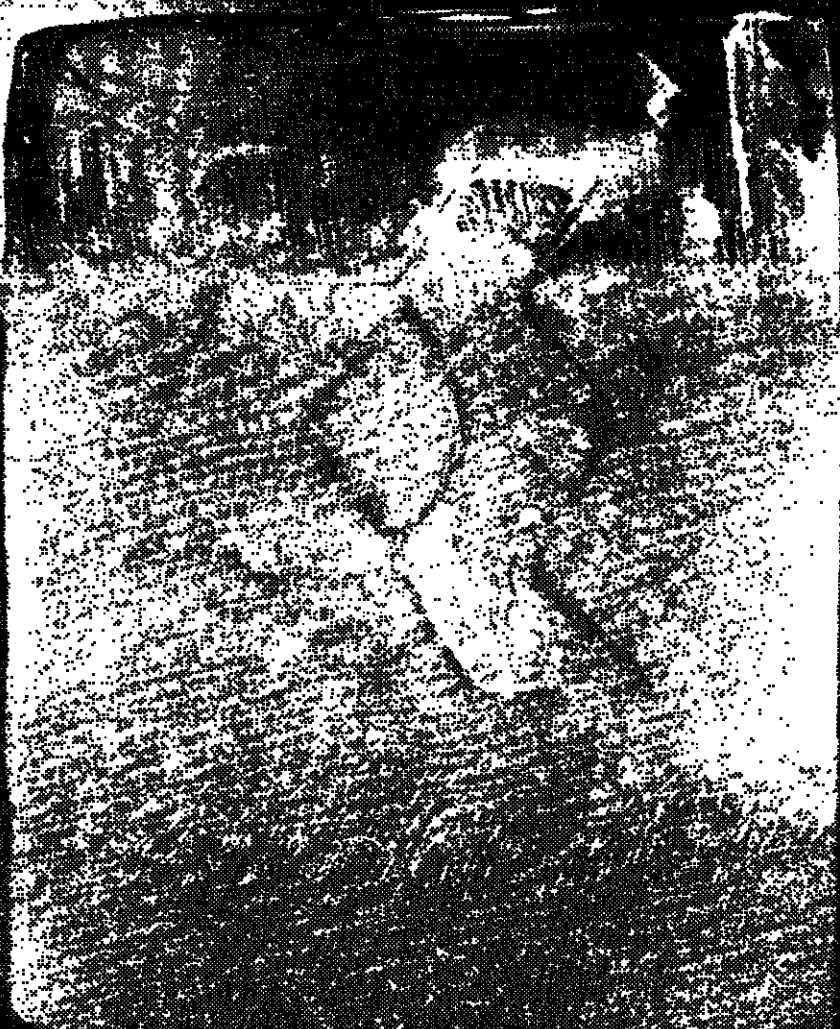
its place "among the foremost stock exchanges of the world." So says Finance Minister Hon Sui Sen.

Exchange controls

One step in this direction is the provision in the exchange's bye-laws for the listing of foreign companies. This does not include Malaysian companies which are listed under a different arrangement. The Government on its part works for the greater sophistication of the stock exchange through a number of ways. First it liberalised foreign exchange control regulations in July so that individuals can invest up to \$5100,000 in foreign stocks outside the old Sterling Area.

"Such liberalisation," says Mr. Hon "ought to have salutary effects in reducing the volatility of some of our stocks. For example, if some of the leading banks in the U.K. or the U.S. be given a quotation now, Singapore investors will find such shares may be bought on a fairly steady price/earnings ratio of 12 and below. By providing an opportunity to make international comparisons within wild fluctuations in prices in the domestic market will be minimised."

حکومت الاصل



The beginning...

In 1903 we began by producing ice and supplying refrigerated foods to people living in a hot and humid climate. Today we make and sell goods as diverse as bread for the housewife and carbon dioxide for industry. While our services range from catering for weddings to catering for oil rigs. By utilising research, scientific tech-

niques of manufacture and stringent quality control we produce an extremely wide range of excellent products for home and abroad. Many of them market leaders. Our continuing aim is to recognise and where we can, to anticipate consumer needs and aspirations. This we believe will take us successfully into the future. As it did in the beginning.



The Cold Storage Group of Companies. Manufacturers of ice creams, butter, ghee, sterilised milks, sweetened condensed and evaporated milks - squashes, carbonated and fruit drinks - ice and carbon dioxide - bread and confections. Refrigerated storage specialists - engineers - dairy farmers - supermarkets - catering services - ships victualling - oil rig services - importers and exporters of canned, refrigerated and fresh foods - detergents and adhesives - pharmaceuticals. Registered Trade Marks - Magnolia - Sunshine - Festival - SCS - Ship - High Society - Buttercup. Enquiries to: Cold Storage Group of Companies, Empire Dock, Singapore 4. Australian Agents: G.S. Yuill & Co. Pty. Ltd., 8 Spring Street, Sydney, N.S.W. - London Agents: Yuills Ltd., Botoolph House, 10 Eastcheap, E.C.3



Owned by seven of the biggest banks in Europe, EURASBANK is geared specifically to advise you in any area of international banking and financing. In SINGAPORE, for example, we're actively engaged in the Asiadollar market.

Contact us at:
European Asian Bank
- Singapore Branch -
OUB Shopping Centre
50, Collyer Quay
Tel. 91 46 77 - 91 41 44 (forex)
Telex: rs 21189 - rs 21190 (forex)
Cables: Eurabank

You'll find our other full-service branches in Hamburg, Hongkong, Jakarta, Karachi and Kuala Lumpur - and we can place more than 9,300 offices of our shareholder banks at your disposal in Europe and throughout the world.



European Asian Bank

EUROPÄISCH ASIATISCHE BANK AG
- Incorporated in the Federal Republic of Germany
Head Office: Hamburg

EURASBANK combining the banking experience of:



CHARTERED MERCHANT BANKERS SINGAPORE

- new issues and underwriting
- largers and acquisitions
- Capital Equipment Finance
- Investment management
- Financial Advice for Companies

17th Floor, Straits Trading Building, 9 Battery Road, Singapore 1

Telephone: 917211

Cables: MERCHBANK

Telex: RS 21985

iate company:

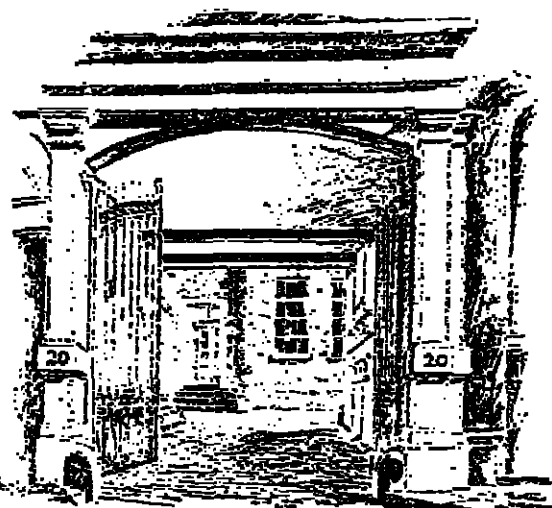
CHARTERED MERCHANT BANKERS MALAYSIA

P. MURRAY-JONES

LIMITED

20 ST SWITHINS LANE, LONDON EC4

Telephone: 01-626 2486 Telex: 884344

**International Money Brokers**Linking
East and West
with**P. MURRAY-JONES
INTERNATIONAL (PTE.)
LIMITED**
SINGAPORETel:
916444Telex
RS-21130**UNITED CHASE
MERCHANT BANKERS
LIMITED**Whatever your financial needs
in Asia... we can helpInvestment Management
Project Evaluation
Expansion and Diversification
Asian Dollar Financing
UnderwritingSTRAITS TRADING BUILDING
12TH FLOOR, 9 BATTERY ROAD
SINGAPORE 1 TEL: 916344
TELEX: RS 21841
CABLE: UNICHASE**SINGAPORE VIII****Drive for foreign investment becomes increasingly selective**

By ILSA SHARP

Singapore, cool in the shade of its union-curbing 1968 labour laws, has for some years had the mirage-like appearance of a palm-fringed oasis in the desert, to the eyes of beleaguered western capitalists hit by problems of inflation, strikes and tough world competition.

But Singapore's attractions have proved no mirage. New incoming investors' references to Singapore's political stability, intelligent and industrious labour and pre-eminence as a communications centre located in the heart of South East Asia have become yawn-worthy clichés ritually repeated in the local Press. But a cliché is no less true for being a cliché.

Times are getting tougher though, as the investment promotion men at the Economic Development Board (EDB) nervously admit. The Republic has openly proclaimed its preference for "high-technology" and capital, rather than labour-intensive projects in future. The EDB men are so choosy now that some projects are politely but firmly referred to more suitable "neighbours", which usually means Malaysia or Indonesia. In future, investment is unlikely to jump at the rate it did for the manufacturing sector, from US\$51.3m. in 1965, to US\$517.6m. in 1971.

High-technology

The drive to attract high-technology is only slowly gathering steam in spite of the board's considerable energy, as potential investors perhaps nervously ponder Singapore's workers' capacity to learn sophisticated techniques quickly: the likelihood of 8 per cent. annual wage increases (this year's was 9 per cent.); labour, especially skilled labour, shortages, the fact that Singapore, caught unaware by its own affluence, has been made an unwilling member of the international inflation club.

But Singapore's workers are sophisticated, speak good English and learn quickly. They have been admirably disciplined since 1968 and have responded extraordinarily well to the politics of exhortation. Their output per worker rose from \$6.14 in 1966 to \$8.69 in 1970 and their productivity grew at an average of 10.4 per cent. annually for 1966-70.

The Singapore Government is the first to realise that the mood of Singapore's workers will determine much of the Republic's future success, as it has in the past. Job-hopping is a serious problem just now, negating the value of skill-training, and the air is thick with Government pleas for "no slacking."

But there is still a well-articulated national philosophy based on pride and discipline which serves as a genuine motivation factor for many Singaporeans.

The Government is making it almost a precondition for investment that the foreign investors should now agree to train Singapore workers. The aim now is to train twice any company's need at joint training schools, with the Government sharing costs 50:50. The surplus 50 per cent. of workers will then filter into the general Singapore economy—Philips of Holland, Tata of India and Rollei of Germany are running such schemes. In addition, the Government has earmarked \$88.7m. for industrial training over the current financial year. The target is to reduce dependence on foreign labour substantially by 1977.

Clean city

Although the EDB is facing what is called "Phase Two," with some apprehension, the Republic's success story so far is a valuable and attractive object lesson to would-be investors. The reasons investors have come to Singapore in the past are many and varied—they are certainly not limited to the oft-quoted attractions of a "clean and green garden city." In many cases, investors have come not so much because of Singapore's positive attractions as because of their parent country's disadvantages. Japanese competition has been a major force propelling giants like Rollei of Germany, Rockwell International and General Electric of the U.S. into Singapore.

Others came simply because the clients they usually serviced at home were also in Singapore. The EDB is particularly interested in the way one industry can attract supporting and ancillary industries, interlinking and strengthening the whole industrial base.

Oberg-Singapore, originating from Pennsylvania, U.S., is a typical example. The \$US.2m. plant is a truly high-technology venture producing precision stampings, carbide tools and machine tool dies ground to 20 millionths of an inch. Oberg's prime reason for coming to Singapore was to serve clients such as National Semiconductor, Rockwell International, General Electric, Rollei, and Philips, all of whom are already in Singapore. To hear American general manager Kenneth Shick lecturing his Singaporean floor supervisors over lunch is to hear the live voice of technology transfer: "Now listen you guys—I don't want to see the workshop floor getting so dirty. I do not want to have to have sweeping-up operations but I paper products, 3.7 per cent; will if I have to, because when you are grinding machine tool dies down to millionths of an inch, I tell you, just one speck of dust under the machines and we could end up junking a \$4,000 tool."

Caterpillar Far East, on the other hand, came because Singapore's location and communications network made it easy to maintain Caterpillar's famed 24-hour delivery service by air from Singapore. Fast service was the main factor for Cameron Iron Works, of Houston, Texas, too. Another company, Texas Instruments, simply got browned off with red tape in Taiwan and revamped its investment plans to centre on Singapore—the company was in operation only 50 days after the investment decision was made.

Five plants

The shining star in Singapore's investment firmament is Rollei of Germany. The sceptics who said Singapore workers could never pick up Rollei's high-precision optics and camera technology, and Rollei's aggressive Japanese competitors, have been equally dumbfounded by the success of Rollei's five Singapore plants, representing a total investment of \$520m. south of Singapore Island, projected for 1975. In 1971, Rollei was in the red, with a turnover of DM112m.; now it is lustily in the black, with a turnover of more than DM300m., which DM105m. were contributed by the Singapore plants. And Rollei Singapore turned in a DM200,000 profit last year. This tremendous act of faith in which made a feasibility study Singapore, transferring many of Rollei's key manufacturing processes to Singapore, is bound to attract many more German steel ventures make nonsense, investors. In spite of rumblings of course, of calls for South from German workers, Rollei East Asian regional co-operation has the German Government's on such capital-intensive processing and has proved its jets, the latest call having point by creating 1,200 new jobs come this year in a United in Germany since the inception Nations report on economic co-operation within the Association of the Singapore factories. Singapore's open-door inter-South-East Asian Nations nationalism has been a prime (Asean).

lure for 120 international companies over the last three years. In manufacturing, international companies have invested or committed themselves to invest \$US.1,000m. over the past three years. Present projections see a further \$US.300m. coming in during the seventies.

The Prime Minister, Mr. Lee Kuan Yew, is well aware of the dangers should one particular investing nation gain dominance in the Singapore economy. He has stated quite frankly that he intends to welcome anybody and everybody in an attempt to counterbalance the great powers. The Government keeps a firm grip on the economy by participating in it—State-initiated and State-run commercial enterprises are a characteristic of the Singapore economy now. Eight statutory Boards, six Government bodies, 17 wholly-owned Government enterprises and 93 companies with Government equity participation now exist.

On the dangers of foreign dominance, the Foreign Minister, Mr. S. Rajaratnam, said: "I am always happy when multinational companies tell me they are making good profits in Singapore because then I know they will not be playing politics. ... It is very difficult to tell who is dependent on whom. ... The Government and EDB constantly point out that if Singapore had relied only on indigenous resources, it would have taken the Republic 50 years or more to reach its present level."

Or, as futurologist Herman Kahn recently put it, the best guarantee for foreign investment in Singapore is that Singapore has no alternative. Country by country, the EDB says leading investors in manufacturing now are the U.S. with gross fixed assets of \$818m. (\$840m. in 1971); the U.K. with \$534m. (\$534m. in 1971); the Netherlands, with \$532m. (\$532m. in 1971); Japan, with \$513m. (\$513m. in 1971); Hong Kong, with \$510m. (\$510m. in 1971); Malaysia, with \$565m. (\$551m. in 1971); West Germany, with \$553m. (\$56m. in 1971). (The EDB figure for U.S. investment is supplemented by a statement made this year by the then Secretary of State, Mr. William Rogers, that U.S. investment in Singapore was over \$775m.)

Petroleum industry

The areas of concentration for foreign investment are the petroleum industry, which captures 53 per cent. of the total investment; metal and transport equipment industries, 16 per cent.; electrical and electronic industries, 9 per cent.; the chemical and chemical products industry, 4 per cent.; timber and paper products, 3.7 per cent.; textiles, 3.4 per cent. and food processing, 2.2 per cent., according to 1971 figures.

The fastest-growing commitment comes from Japan and Germany. Japan did not at first take much interest in investing in Singapore, apart from the shipbuilding and repairing fields, which offered logistic advantages as Singapore was situated midway on the Japan-Middle East tanker routes. Singapore offered neither attractive raw materials nor a large domestic market to Japanese investors. But because of the Yen's increasing strength, labour shortages and spiralling land costs in Japan, the Japanese have come around to the idea of real offshore plants. Singapore expects a lot of investment in future to focus on metal-working and engineering and places much hope in the Japanese to fuel the thrust towards "Phase Three," advanced industrialisation projects such as petrochemicals and steel ventures.

All the signs are that Japan will oblige. Sumitomo recently announced its intention of participating in a \$360m. petrochemicals complex to be built on two small islands to the south of Singapore Island, proper. This complex will comprise about a dozen inter-related plants under different ownership, not necessarily all of Japanese, and should be ready in about five years' time. Another promising indicator was the recent visit of a Japanese iron and steel mission, in which made a feasibility study for a steel plate mill in Singapore.

Both the petrochemicals and steel ventures make nonsense, investors. In spite of rumblings of course, of calls for South from German workers, Rollei East Asian regional co-operation has the German Government's on such capital-intensive processing and has proved its jets, the latest call having point by creating 1,200 new jobs come this year in a United in Germany since the inception Nations report on economic co-operation within the Association of the Singapore factories. Singapore's open-door inter-South-East Asian Nations nationalism has been a prime (Asean).

Britain's role has diminished the prospects look dim for EEC and investment accelerators, more capital, more machinery, more economic growth, more jobs, more revenue. ... Our high-technology exercise was attractive by offering special Kuan Yew told the Employers' Federation in any case an aberration and incentives: five-year tax holiday, unlimited foreign work and "We are out for a traditional pattern by entering permits: export profit tax living. That is what m Europe." British businessmen exemption; 50 per cent. Govern- Singapore tick," he had said apparently hope to spearhead ment equity from a \$5100m. 1967. One of his prophe the flow of European funds into fund set aside for this purpose, made in 1970, looks very t the eyes of local observers the back. EEC is displaying alarming Singapore's motivation is trial expansion does not t ignorance of Singapore as an simple, pragmatic and self- often to a people ... by the investment area separate from interested: "I want to ensure of the seventies, Singapore the vague concept of Asia in your profits in order that Singa- no longer be an under-devel general, and, Germany apart, pore will have a good reputation country."

JARDINE FLEMINGAsian and Pacific investment bankers,
specialising in underwriting,
corporate financial advice and
investment management.Jardine Fleming & Co. Ltd.,
has recently established
a subsidiary in Singapore,
Jardine Fleming (South East Asia) Pte. Ltd.
The office is located on the
16th floor of Shing Kwan House,
Singapore 1.Telephone: 917111.
Telex: RS21311**THE ASEAMBANK GROUP—
CARING FOR ASIA'S
FINANCING NEEDS.**ASEAMBANK
GROUP

The ASEAMBANK GROUP—backed by seven partner banks with assets exceeding US\$100 billion—is one of the region's most versatile and powerful merchant banking formations.

It is purpose-built to care for Asia's financing needs.

The Singapore operation—**ASIAN AND EURO-AMERICAN MERCHANT BANK LIMITED**—commenced business in March 1973 with six managers heading units specialising in Operations, Business Development, Asian Currency Unit, Investments, Finance and Corporate Finance. As well as offering a full range of merchant banking services they provide direct links with the money and capital markets of Asia, Europe and America.

The Hong Kong facility—**ASIAN AND EURO-AMERICAN CAPITAL CORPORATION LIMITED**—recently commenced operations, offering the same basic services of ASEAMBANK Singapore.

The ASEAMBANK GROUP's sophisticated financial services and financial instruments are designed to meet the needs of the rapidly developing Asian region.

ASEAMBANK GROUP's facilities offering the same basic services, will open soon in Bangkok, Djakarta and Kuala Lumpur.

ASIAN AND EURO-AMERICAN MERCHANT BANK LIMITED

16th Floor Shing Kwan House, Shenton Way, Singapore 1
PO Box 1581, Singapore 1
Telephone: 916444 Telex: 884344 Cable: ASIA BANK

Partners:

BANK of AMERICA • Overseas Union Bank Ltd. • Banque de Paris et des Pays-Bas • DAICHI KANGYO BANK
Dresdner Bank • Kleinwort, Benson Limited • Union Bank of Switzerland**Merchant Bankers
in the new Asia...**

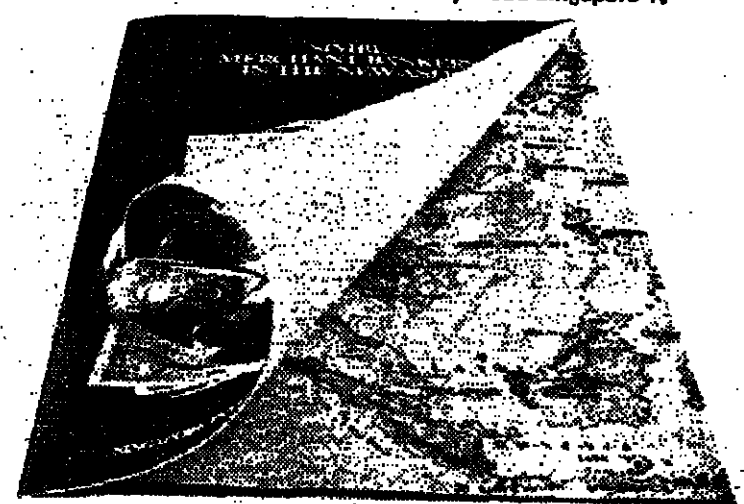
Singapore International Merchant Bankers Limited (SIMBL) welcomes all enquiries with regard to investment opportunities in Southeast Asia, the Asian Dollar, local sources of finance and traditional merchant banking services. SIMBL has vast experience and an impressive record of

achievements in this part of the world. Our booklet "Merchant Bankers in the New Asia" outlines the comprehensive range of activities of our institution. Just have your secretary fill in and mail this advertisement to us and we will be pleased to send you a complimentary copy.

NAME _____
DESIGNATION _____
COMPANY _____
ADDRESS _____



Singapore International Merchant Bankers Limited
1900, Straits Trading Building
Battery Road Singapore 1.



unequal rewards for 'disciplined' labour

IN RAFFERTY

The secrets of Singapore's high economic growth over the past five years have been its "highly disciplined" labour force, which means that workers have been earning less than \$200 a month, and according to a Housing Board official, a sharply higher wage than in other parts of the world.

The beneficiaries are those with technical skills, who can command a high salary. Foreigners are beginning to find that they are paying more than they would in Europe for graduates, even though they are likely to have had little or no experience of the industry or indeed of any industry at all. Shop-floor workers on the other hand can be hired for anything between a third and a tenth of the comparable European salary.

According to Philips its local staff are paid between \$3,500 to \$4,000 a month (about \$7,500 a year upwards); in 1963, \$38,319 were lost and substituted by 44,000 men—being wasted between \$150 and \$200, about a tenth of European wages. Another foreign company said that its 40 graduates in a total of 100 employees accounted for 40 per cent. of more than 750,000; the wages bill.

The figures are confirmed by the rates issued as a guide to the foreign investors. A graduate engineer would be worth about \$1,000, a secretary would start at \$335; skilled men could expect from \$51 an hour (about \$1,170 a month) to \$1.50 an hour; unskilled men would get 60 cents an hour. It is not easy to make historic comparisons, but the 1966 sample census suggests that almost all the movement in salaries has been at the top end which is not too surprising because one government official estimated with some pride that the annual advance in wages between 1964 and 1970 had been 0.4 per cent.

The bald wage figures do not tell the full story of the pressures on the ordinary workers. The 1968 Labour Laws did much to reduce workers' power in the interests of economic growth. As the Bank of America Advice to Investors points out, they reduced paid sick leave to 14

days and holiday entitlement to one week a year for a worker employed for less than ten years by his company. They left things like bonuses and promotion to the discretion of the management.

There is an argument that Singapore's attempts to increase the technological content of its industry will bring boosted benefits to all. However, if Government analysts are right and 400,000 new industrial jobs are created by the end of the decade, and if, as they expect, 18 of every 1,000 are scientific or technological and 54 are technical, then there are a lot of men still left in positions where they can only expect a bigger share of the cake through better wage bargaining or the pressure of the market, or through the Government deciding to tilt the balance in their favour. But the Government is reconciled to the gaps widening for 10 or even 20 years as the price of prosperity, and at the moment the market is being supplied continually with labour from outside Singapore.

400,000 jobs

This is one of the big political questions Singapore has to face, but estimates that the number of foreign workers will rise to at least 200,000 by 1980, nearly double in a decade, seem realistic. The Government has carried out studies but they are top secret. Finance Minister Hon Sui Sen denied that the number of foreign workers would go as high as 200,000, but he declined to give a figure as "we do not want to embarrass our neighbours."

As to the quality of the labour, the general opinion is that most of the Singapore workers earning the highest salaries are inexperienced and not as good as their European counterparts, but the middle skilled men are good and well taught. One experienced teacher said, for example, that the science graduates from the university tended to be poor, but those from the technical college were of a high standard. "They start with enormous disadvantages. This is a society where they have not had the

chance to learn naturally as they grew up; boys never fiddled about mending fuses or played with bicycles. Given this fact, they are enormously quick to learn." The same views are held by experts in business and finance.

There are some critics who believe that the Government will not be able to reach the targets implicit in the expansion of the industrial labour force by 400,000—an extra 7,200 university graduates and 21,600 technical graduates. Certainly at the moment, with this year's science graduates numbering fewer than 400 and graduates from the two technical colleges fewer than 1,600, there is a long way to go in achieving those numbers, without considering the problems of "more means worse."

One reason for the labour discipline is the close contacts between the trade unions and the ruling People's Action Party. Mr. Devan Nair, the Secretary-General of the National Trades Union Congress, says, in fact: "Lee Kuan Yew and I founded the Party." Thus when the battles were fought in the early and mid-1960s between the Party and the Communists, Communists in the unions were also clubbed to defeat. The way the 1968 employment measures were accepted by the unions gives an indication of how the two bodies work together. Mr. Devan Nair said that he was not prepared to sell the new rules to the workers: "I told Lee Kuan Yew: 'You had better face them yourself.' He addressed 500 delegates for five hours, starting off roughly, but at the end they all stood up to applaud. One outside observer said he had never before seen workers saluting and cheering the man who had just fixed them."

How difficult it would be for a radical now to rouse the workers is not clear, except that it would be very difficult. Some commentators hint darkly at "ways of making sure that nothing that might be billed as a Communist menace could ever crop up again." Devan Nair suggested that the workers had become apathetic. Outsiders point out that there is little incentive in Singapore for

Occupational group	1966 Average monthly wage (\$S)	1972 Wage rates per day for selected occupations	
		Male (\$S per hour)	Female (\$S per hour)
Professional, technical and related workers ...	600.60		
Administrative, executive and managerial workers	481.00		
Clerical workers	332.90		
Sales workers	161.50		
Agriculture, fishery, forestry and related workers	106.00		
Miners, quarrymen and related workers	129.30		
Workers in transport and communication	223.60		
Craftsmen, production process workers and labourers n.e.c.	162.10		
Workers in services, sports and recreation occupations	156.00		
Unidentifiable and inadequately described occupations	840.80		
Odd job labourers	123.20		
Source: 1966 Sample Census.			
Production workers:			
Skilled (fitters, turners, machinists, tool-makers electricians, plumbers, welders, trimmers, linotype operators) ...			
Semi-skilled (assemblers, machine operators) ...			
Unskilled (sweepers, cleaners, drivers, sweepers, storemen, oilers, materials handlers, labourers) ...			
Supervisory and technical:			
Graduate engineer ...			
Superintendent ...			
Foreman ...			
Salesman ...			
Office:			
Clerks, typists ...			
Secretaries ...			

Fringe benefits such as vacation pay, sick leave, holidays, retirement benefits, and contributions to the Central Provident Fund will add approximately 25 per cent. to the above direct costs. While these rates are indicative of the general wage levels now prevailing in Singapore, actual pay scales will be determined by an employee's experience. The higher rates in the above ranges would be paid only to employees with substantial on-the-job experience. Source: First National City Bank—Investment Guide to Singapore.

debate of labour issues, and stress that to get anywhere in the unions a man would have to rise high in the Party as well, and no strong personality has yet succeeded.

Party machine

It would be untrue to suggest that the unions do not exercise an influence. Their links with the Party provide them with an excellent lever to do just that, but the control of the party machine by Lee Kuan Yew means that it is at a more modest level than one might expect in a "socialist" country. There are a number of trade union MPs who can certainly sway less controversial issues.

One issue which illustrates how the unions can stir the Government is the wage award this year. The unions wanted 12 per cent; the Government advised that the economy could stand 9 per cent. Employers wanted offsetting of the wage increases against normal increment rises. The unions pressed hard for no offsetting of the lower paid workers. The recommendation of the Wages Council

after behind-the-scenes pressure from the Government on the offsetting issue was to recommend a 9 per cent. increase with no offsetting for workers earning less than \$300 a month.

Disturbances of this harmonious structure are still possible. The unprecedented (by Singapore standards) price rise has already more than swallowed up the wage increases awarded in July, but the Finance Minister has said he will not consider interim measures before next year's increase. The Government considers that Singapore is only one country among many which are subject to inflationary pressures, and Mr. Hon Sui Sen declared that the country could afford 9 per cent. and costs would only rise by 1.6 per cent., whereas the rest of the world was raising wages by 10 to 12 per cent. with total cost rises of 3 per cent. Clearly, if inflation continues at present levels the Government may have to inflate its wage increase estimate and possibly endanger its carefully balanced equations, or risk new labour repression which might be more tricky. But some people think that a

more important factor will be the cost of living rises faced by the middle classes, and the fact that the latter are more vociferous.

A trickier question to answer is how long the workers will be content with a small share of the cake. Apart from this year's rise in the cost of living, the Government can argue that the ordinary worker has become progressively better off with the declining fears of unemployment and real—if small by comparison with the better paid—wage increases. The official line is that unequal sharing of the cake is the inevitable consequence of growth; but although there is talk of better distribution in "some time after ten, say 20 years," no one has suggested any hard plans about how the redistribution is to be carried out. The Government has a safety valve in that it can assert that opportunity is open to all and money is not necessary for success.

The other major area where the Government is in a delicate position is over imports of foreign labour. The Bank of

America study indicated that if the economy was to grow by 11 per cent. a year, Singapore would have to import up to 20 per cent. of its labour force.

At the moment immigrant workers number about 110,000. There are already problems among both hosts and immigrants with foreign labour. Mr. Devan Nair said that workers from abroad were keener than many Singapore ones; but if they were promoted, as they deserved, this caused difficulties.

The Government has placed foreign workers on an even tighter rein than home ones. Many construction workers, for example, are given six month contracts, then thrown out and their places taken by new immigrants. In other industries immigrants may not change jobs for three years, cannot hold office in trade unions, and are not allowed to get married to local girls without special permission.

There are stirrings of signs that foreign workers may not continue to accept these terms.

Continued on next page

There's not another market in the world like Asia, and The Hongkong Bank Group knows it best.

200 branches in Asia alone.

The Hongkong Bank Group, whose head office was established in Hong Kong in 1865, now has 360 branches and representative offices throughout Asia, the Middle East and in many other countries in the world.

The international bank with Asian expertise.

Unlike other international banks, The Hongkong Bank Group started in Asia and as Asia developed into a booming, consuming third world, the Bank has developed its services and facilities to meet the needs of rapid economic growth.

One of the world's biggest banks.

With assets exceeding £2,790,000,000 The Hongkong Bank Group offers resources that are matched by few banks outside New York or London. It is that size, and the spectacular but steady growth that preceded it, that has resulted in The Hongkong Bank Group being a key financial link in some of the most important transactions between East and West.

For further information contact one of these branches:

THE HONGKONG AND SHANGHAI BANKING CORPORATION:

Head Office:
1 Queen's Road Central, Hong Kong.

United Kingdom:

9 Gracechurch Street, London EC3V 0DU
and 123 Pall Mall, London SW1Y 5EA

France:

25 Avenue des Champs Elysées, Paris, 8ème.

Germany:

Neuer Jungfernstieg 20, Hamburg 36.

MERCANTILE BANK LIMITED:

Head Office:
1 Queen's Road Central, Hong Kong.

THE BRITISH BANK OF THE MIDDLE EAST:

Head Office:
20 Abchurch Lane, London EC4A 7AY

Switzerland:

P.O. Box 352, 1211 Geneva 11, Stand.

Hong Kong Harbour: One of the world's busiest ports where about £8 million worth of cargo is loaded or unloaded every day. And one of the few places where steady junks work side by side with modern container vessels.



THE HONGKONG BANK GROUP
360 branches in 37 countries.

Japan strengthens position

By CHARLES SMITH, Far East Editor

Like most other countries in South East Asia, Singapore has found itself drawn increasingly into the economic orbit of Japan. Japan now supplies nearly 20 per cent. of Singapore's imports (even more than Malaysia which accounted for 15.8 per cent. in 1972). It is also emerging as one of the major investors in Singapore although its importance in this respect is probably still less than that of the U.S. It is not difficult to detect signs of apprehension among Singapore's leaders about the island's growing dependence on Japanese trade and investment. But there is no indication that Singapore contemplates any moves to restrict economic ties with Japan. Instead, the policy appears to be to offset the Japanese role as far as possible by encouraging other industrialised countries (particularly in Europe) to take a greater interest in the opportunities which the country offers for trade and investment.

Japan's pre-eminent position among Singapore's trading partners dates only from the mid-60s. At the beginning of the decade Japan accounted for only 7.3 per cent. of Singapore's imports compared with the U.K. share of 8.9 per cent. by 1970. However Japan's share of the

market had passed 19 per cent. and it has shown a modest increase in each of the past two years. The balance on visible trade is heavily in Japan's favour with Japanese exports to Singapore last year running at \$81,874.4m. against Japanese imports from Singapore of \$53,921.4m. However, the trade figures for the first half of 1973 suggest that Singapore may at last have begun to make some progress in closing the gap.

Singapore's exports to Japan in the period from January to June this year totalled \$53,135.5m., a 66 per cent. increase of the figure of \$31,881.9m. for the first half of last year. In the meantime, Japan scored a 44 per cent. increase in its exports to Singapore during the first half of this year (the actual figure was \$51,094.4m. against \$57,598.8m. in the first half of 1972).

Special factors

The trend of Singapore-Japan trade this year is in harmony with the overall pattern of both countries' foreign trade. Japan's imports have been registering very rapid increases for the past six months or so whereas exports have been growing relatively slowly (by Japanese standards). On the Singapore side the upsurge in exports to Japan

is part of a general increase in exports which has enabled the Republic for the first time in recent history to start narrowing the gap in its visible trade. Nevertheless there have been special factors in the trade relationship between the two countries which have accentuated the rate of change. One factor has been the inability of Japan, since the beginning of the year, to supply all Singapore's requirements for some key raw materials including steel and PVC. This is the result of Japan's domestic boom on the steel and petrochemical industries. Another effect of the Japanese boom has been to create an import market for certain manufactured products which, in normal circumstances, would almost certainly have been supplied by Japan's domestic industry. Singapore began selling car air conditioners to Japan for the first time this summer when a combination of extremely hot weather in Tokyo and rapidly increasing consumer spending power suddenly pushed demand beyond the capacity of Japan's own electrical industry.

In spite of the fact that Singapore may be able to develop a Japanese market for its manufactured goods most of the republic's exports to Japan are

still in other fields. Japan is the second largest importer of petroleum products from Singapore's refineries, ranking only behind Vietnam whose consumption is expected to fall with the ending of the Vietnam war. Japan is also one of the major customers for the Singapore ship repairing and servicing industries. The third item—though a declining one—on the list of Singapore exports to Japan is crude rubber. Finally Japan is a major buyer of office machinery parts from Singapore. But these are not the only re-exports which have been stored in Singapore by U.S. and other foreign companies for whom the republic provides convenient distribution centres.

By contrast with the limited range of Singapore's exports to Japan, Japan's sales to Singapore cover a full range of industrial products from industrial raw materials such as steel and plastics through to consumer durables and capital equipment. Japan is now dominant in the Singapore car market even though the Republic's taxi fleet is still mainly British. Another area in which Japan has achieved a dominant role is construction. The chief contractor for the Development Bank of Singapore building was Obayashi Gumi. The same company has won major contracts for land reclamation.

Singapore has made a start during 1973 with the promotion of a market for its manufac-

tured consumer goods in Japan. A Singapore exhibition was held in Tokyo during the summer with assistance of Jetro (the Japan External Trade Organisation). But the recent Juring 1973 has been on missions in the other direction—by Japanese businessmen in search of investment opportunities. A mission from the Japan Iron and Steel Federation visited Singapore recently to make a feasibility study for a steel plate mill. Another major venture which is still at the planning stage is for the establishment of an ethylene-based petrochemical project in which Sumitomo Chemical would be a partner with a number of other Japanese concerns including Showa Denko, Nippon Zeon and Denki Kagaku Kogyo. The plant is expected to go into operation in 1977 and will probably cost \$U.S.\$420m. Talks are still taking place on the possible involvement of the Singapore Government and of other foreign companies already active in Singapore including Shell and Esso.

Steel mill Apart from giant projects such as the Sumitomo venture and the steel mill (if it material-

ises) an increasing number of Japanese companies have been looking seriously at Singapore as a manufacturing and export base for industries which are beginning to be hit by high labour costs inside Japan itself. The list of current investment projects involving Japanese companies includes watches, bicycle parts, air-conditioning equipment and even "art candles." In every case cheap labour appears to be one of the main attractions of Singapore to the Japanese investor, though Singapore's good communications and efficient bureaucracy are clearly of almost equal importance. Japanese investors in Singapore seem to be aiming to export their products to Australia and Europe as well as to the rest of South East Asia.

The new wave of Japanese investments in Singapore follows the entry of Japan's major shipbuilders, some years ago, into the local shipbuilding and repairing industry and the more recent entry of Japanese banks into the Asian Dollar market and into merchant banking. The next few years are likely to see a further—and possibly spectacular—increase in the inflow of Japanese investment.

small planned families, marriage between a work permit holder and a Singapore citizen can lead to difficulties for themselves, and for Singapore," the statement said. Marriage between non-citizens and Singaporeans "can result in a healthy infusion of vigorous and hardworking type to Singapore's population." The statement added, "provided the (Work Permit holders) have acquired work skills and an industrious and thrifty." The long queues which formed outside the marriage registry no sooner than the new rules were announced testified to the magnitude of the problem. Undoubtedly, young Singaporeans who had found their visiting colleagues companionable would have considered the law restrictive. But by a large the regulations were well received because of a fear that the immigrant population might in fact, unwittingly destroy part of the ethos painstakingly built up in Singapore.

Social discipline The social discipline, commitment to effort, and rigorous monitoring of harmful cultural and social factors—frugality, "barbaric music" to "outlandish clothes"—which characterise Singapore to-day are relative unknown in some neighbouring countries. Family planning, anti-litter, hygiene, thrift, are considered vital in Singapore. In some instances, the severity of the law is invoked where persuasion fails to get the message across.

Immigrant workers are not always familiar with these habits and objectives. Old Singaporeans particularly fear that the achievements recorded in recent years may well be negated by a mass influx of immigrant workers uninitiated in these practices. More so if new citizen workers make their permanent homes in the Republic before they adapt themselves to local life styles. This is the major reservation locally about immigrant workers. There are few ethnic and linguistic barriers between locals and immigrant workers because the latter usually come from nearby countries and speak the languages or dialect common in Singapore.

Economists sometimes look at future projections and worry that competition may be a factor in the future. The Government obviously does not believe that this is likely to be so soon. So immigrant workers will continue to be part of the workforce for some years to come. Social problems created in the process are under constant examination. And if visiting workers bring "alien political ideologies" along with their baggage—there is provision in the immigration laws for those who abuse Singapore hospitality to be sent away.

CONTINUED FROM PREVIOUS PAGE

'Disciplined' labour

Jurong, for example, billed as the pride of Singapore industry, is heavily dependent—according to some estimates, two-thirds at least—on foreign workers. This is partly because Singaporeans now shy from humdrum industrial jobs, partly because the industries at Jurong were built before the houses and local people will not move from the centre of town with all its attractions, especially when the return bus fare is \$S1 a day or a fifth of some people's income and an hour's travelling each way.

One young Malaysian Chinese boy of 18 working in a Jurong factory grumbled to me: "Our life is more or less work, eat, no

work, eat, sleep, work. We get 20 minutes' break in an eight-hour day, have to work shifts, and six days a week on rotation. For this I get \$S7 a day. It means I have to have more or less the same food day in, day out; and if I go once to the cinema, then all my money has gone." He was a textile worker who said that the bigger and more modern electronics factories had the reputation of being cleaner but the work was more regimented. He is given free accommodation, but this consists of two bare rooms which he shares with five others; since they are all on separate shifts, it means that there are always two of the boys sleeping. Marriage would be impossible because there is no married accommodation out of the country.

This year, almost unprecedentedly, there was a strike at Gulf Plastics in Jurong when girls refused to operate an additional machine for the small rise of 75 cents a day which was being offered. There were demonstrations. The result was that the Government withdrew the work permits of some of the—mostly Malaysian—people it considered ring-leaders. The factory is still advertising for workers to replace the foreigners who were effectively thrown out of the country.

Government has imposed stiff restrictions on marriages of migrants. Girl workers in Jurong tend to be even worse off, and would get \$S34 a day.

Some 100,000 work permits have been granted to non-citizens, many of them from neighbouring countries. Other Asian countries—South Vietnam and Sri Lanka, for instance—have also held Government-level discussions on the possibility of diverting some of their excess labour to Singapore.

As many Asians look on the dynamic young Republic as a land of opportunity, a policy of unrestricted immigration would probably cause a flood-

Rapid development particularly in the construction and manufacturing sectors in Singapore has brought a situation of almost full employment, where Singapore citizens on the official unemployed list are mainly those who want to move on to better jobs rather than be unemployed. With this the local work force has grown more selective and discriminating, sometimes turning down factory and building site jobs which are there for the asking. So to make up the shortfall the Government has found it necessary to import labour.

Some 100,000 work permits have been granted to non-citizens, many of them from neighbouring countries. Other Asian countries—South Vietnam and Sri Lanka, for instance—have also held Government-level discussions on the possibility of diverting some of their excess labour to Singapore.

As many Asians look on the dynamic young Republic as a land of opportunity, a policy of unrestricted immigration would probably cause a flood-

immigration. Work permits are granted liberally to "non-citizens who possess skills Singapore needs, who are hard-working and who because of their educational and other qualifications, can be readily trained to acquire the necessary skills and disciplines," a Ministry of Labour statement said earlier this year.

Three-year permits

Other facilities for non-citizen workers were also announced in the same statement. Skilled workers, whose work-permits are usually valid for a year at a time, would be given three-year permits provided they passed appropriate trade tests. Those who had satisfied the residential qualification of ten years would be considered for citizenship—again, provided they proved themselves at trade tests. But non-citizen workers who had already obtained "acceptable training qualifications" locally or abroad would be exempted from these tests.

The emphasis in the screening process and in all special facilities for immigrant workers is on skill and aptitude. This is

In keeping with the Government's ambition to increase the quality and sophistication of its industry. It also reflects a shortage of skills locally and the need to expand the workforce if the tempo of industrialisation is not to be slowed down. Immigrant workers are therefore a boon to Singapore. They do not deprive citizens of jobs because work permits are not granted if permit-holders are likely to displace Singaporeans. And, although they may be asked to undergo a medical test and provide proof of the educational and technical qualifications they claim to possess, Singapore says they are generally well-treated, and suffer few of the indignities migrant labour is subject to elsewhere.

Some social problems arise nevertheless and the Government's attempts to deal with these have been criticised abroad. The most controversial of Government moves is a recent regulation on marriage between citizens and non-citizens. From July 1, work permit holders were barred from marrying Singapore citizens without the prior society, and to the ethos of

approval of the commissioner for employment. Where this rule was broken the immigrant worker would automatically lose his work permit. If such a marriage were contracted outside the Republic, re-entry to Singapore would require permission of the immigration authorities. Singapore citizens marrying work-permit holders would be ineligible for low-cost housing. Their children would not be entitled to free education, and the family as a whole would not receive subsidised medical treatment.

Some foreign observers considered the regulations unduly restrictive. But the government's thinking, as set out in a Press statement announcing the rules, was that it was concerned about problems of social dislocation which could arise as a result of marriages, some of them made hastily, between people of widely differing backgrounds. "Unless a work permit holder is adjusted to the different and faster pace of life in a highly disciplined and urbanised society, and to the ethos of

The world is growing smaller at Dresdner Bank

As world trade expands the requirements for skill, resources and versatility in international finance grow progressively with it.

To help you profit from today's new business opportunities, and tomorrow's, Dresdner Bank is consistently enlarging its network of branches and representative offices in selected trade centres all over the world.

Last year, for example, branches were opened in Singapore and New York. So far this year Dresdner Bank has become the first German bank to open a full branch in London and the first to establish representative offices

in Moscow and Los Angeles.

And new openings in key international centres are planned.

Dresdner Bank is one of the leading banks in international finance, offering rapid, efficient service in all fields of international banking. Take full advantage of Dresdner's growing network of more than 800 branches and representative offices in Germany and throughout the world.

Every time we open a new branch or office, the world grows for you - just a little smaller.

Meet Dresdner. Grow with Dresdner. World-wide.

Dresdner Bank Aktiengesellschaft
London Branch:
5, Cheapside, London EC2V 5AA • Phone: 01-2368241
Singapore Branch:
133, Robinson Road, Singapore 1
Head Office: 7-8 Gelliusanlage
Frankfurt am Main, Federal Republic of Germany

Dresdner Bank
Efficient in every respect

SINGAPORE XII

Shipyards' ambitious plans

By DICK WILSON

Singapore will not be satisfied to become the leading repair, refit and maintenance centre for ships plying Far Eastern waters. In developing new drydocks its government and entrepreneurs are also aiming at the much larger traffic which shuttles between Europe and the Gulf.

"Since the same owners are involved," a Singapore government official explains, "they can easily switch tankers from the Gulf to Europe to the Gulf Japan run, and repair in Singapore on the return journey after discharging in Japan."

In other words, Singapore is competing for the ship repair business not merely with Japan and with the new Sumitomo yard in Johore, just across the Malaysian Causeway, but with Britain, South Africa, Spain and Portugal—and with new shipyards now going up in such places as Bahrain, Morocco and Malaysia.

Already the annual volume of business in Singapore has exceeded £40m. By 1975-76 two large new Japanese-backed enterprises are expected to bring the turnover up to £75m. The three pillars of this remarkable expansion are the former British facilities at Sembawang and Keppel, which have nourished a tradition of skills in this specialist field, and the Japanese yard at Jurong. Now in Singapore government ownership (though one of them has recently gone public) the two ex-British dockyards are increasing their capacity.

Rapid progress

Sembawang is creating a new £6m, 400,000-ton "super-drydock" claimed to be the largest outside Europe and Japan, to be in commission by the end of next year. Its Chairman, Mr. Pang Tee Pow, justifies this extremely big step to cater for Very Large Crude Carriers (VLCC) by the rapid progress of the Republic and its oil tanker traffic. This shipyard has been repairing as many as 20 ships in one week this year, and has seen double and treble banking at its berths. The work is mainly on tankers, with some general cargo vessels.

The Keppel yard is smaller, its biggest drydock being only for 40,000 tons, but it too is planning a new one of an ex-

pected capacity of 150,000 tons. Jurong Shipyard, in which the Japanese Ishikawajima-Harima Heavy Industries (IHI) is the foreign partner, is contemplating adding a 400,000 or 500,000-ton drydock to its two existing ones of 100,000 and 300,000 tons respectively. The investment for this will be about £7.5m, and completion will probably be in 1975-76, by which time Jurong Shipyard expects to push its annual revenue to some £16m. At present the turnover of each of these three major ship-repair yards is about £12m a year.

But there are two more giants which are about to join the industry, both using Japanese know-how and investment. The bigger of these is a joint venture between Mitsubishi (with 51 per cent of the £10m equity), the Singapore Government (25 per cent) and the Development Bank of Singapore (24 per cent). For this £16m project an artificial island is being built off Jurong to house initially a 400,000-ton capacity drydock and later a smaller one. Meanwhile Robin Loh, Singapore's leading indigenous shipbuilder, is tying up with Hitachi of Japan in a repair yard with one drydock of 300,000 tons and a probable second one of 150,000 tons.

At present the three large repair yards do an aggregate annual business of some £35m, and the smaller yards add another £10m, or so. When the Robin-Hitachi and Mitsubishi yards are ready, hopefully by 1976, they will double the Republic's repair capacity so that an annual revenue of at least £75m, is anticipated. And now Singapore is beginning to count on the construction side as well. The Lloyd's Register of Shipping showed in mid-1973 that a total of 55 ships grossing 334,000 tons were on order for building in Singapore.

Only five of these were in the

work in the absence of new four 72-foot shrimp trawlers Bahrain and Qatar. F. Cement Marine Singapore which has an Australian investment, is constructing cement boats and assembly small hovercraft. The fu will depend a great deal on wages move. The Singa shipyard worker (and there now 20,000 employed direct more on sub-contract) e about one-third or one-ha has Japanese counterpart, wages are rising by aroun per cent annually.

This first fully-Singaporean and fully-private enterprise shipyard is expected to open next year, and perform its first launching in 1975. Mr. Loh will be his own customer, and the initial economics of his Robin Shipbuilders in Jurong is based part of this side of the business. He will no doubt draw on his repair partnership with Hitachi of Japan for some expertise, but he has good connections also in Britain and Taiwan upon which he can rely for any advice and guidance required.

Typical of the opportunities open to smaller ship constructors is the British-owned Vosper Thornycroft enterprise at Tanjong Rhu. Although this highly efficient yard has recently seen a cyclical fall-off in orders for its main speciality, patrol boats, it is so confident of the long-term market that it is considering building a new 1,500-ton or 2,000-ton shipyard and is seriously thinking of setting up in Penang as well. One of its best customers is the Malaysian Government, and so a facility in the Federation would be logical. But the yard sells boats to Brunei and other nearby places, and recently made three mooring and hose-handling launches for delivery to Nigeria. If export guarantee arrangements were available, yards like Vosper Thornycroft could do even better. Its next venture will be making hydrofoils under licence from Supramar.

The Government is encouraging the yards to specialise in such craft as log carriers, liquefied gas carriers, fireboats, and container roll-on/roll-off vessels. Meanwhile American Marine has sent 11 luxury yachts worth £165,000 to the U.S., and Promet is building

Ship machinery

The IHI managers at Jurong say that productivity is 60 per cent, and 80 per cent Japanese standards. In ship construction two-thirds of the materials, which in Singapore still have to be imported only way to ensure Singapore competitiveness, therefore create the supporting infrastructure—navigation aids, ship machinery, winches, pumps, diesel engines. Hence the campaign to ship machinery manufacture to establish factories in Singapore. Last year a group of Scandinavians in this field invited to inspect the Rep and later this month a spe group of British, German and other potential investors are given the same treatment.

The shipyards now on Singapore's third industry after oil refining, electronics, and in terms gross value added it is equal to them. With good and intelligent exploitation Singapore's opportunities may eventually rise to place. Mr. Chua Chin, President of the Singapore Association of Shipbuilders, predicts a turnover of £125m. a year by 1975, double last year's figure.

Singapore
your ocean gateway
to international trade
and a rapidly
developing
region

The Port of Singapore is ready to serve you as the ocean gateway to International Trade and its surrounding region. With nearly 5 km of fully mechanised deepwater wharves and a modern Container Terminal, the Port assures the 'fastest' turnaround for your container ships, roll-on, roll-off and conventional cargo carriers, tankers and other vessels. The Port of Singapore is the hub of Southeast Asia making it the ocean gateway to the region. Its importance as a major international port and main distribution centre for the region is reflected in its rapid growth.

COME GROW WITH US

For further information: Please contact the Port Promotion Manager, The Port of Singapore Authority, P.O. Box 300, Republic of Singapore. Cable: 'Tanjong' Singapore. Telex: RS 21507.

THE PORT OF SINGAPORE AUTHORITY



Port reduces congestion

By AUSTIN MORAIS

Since Singapore is a small island city with no natural resources of its own, all material for its burgeoning industry and most of its food and consumer products have to be brought in from outside. Since the local population is small, the country's manufactured products have to find external markets. The Port of Singapore Authority which controls the container port, Keppel Wharves, Sembawang Port, Jurong Port, and the Telok Ayer Basin occupies a pivotal place in funneling these imports and exports to and from Singapore. Singapore's progress has depended to a large extent on the efficiency of the port authority.

Singapore port handled 57,064,200 tonnes of freight during 1972, an increase of 15 per cent over the previous year. Bulk mineral oil to be handled at the oil refineries rose from 38.1m. tonnes to 45.4m. During 1972 the authority introduced a revised scale of charges which drew a lot of criticism and protest, but drastically removed congestion at Keppel wharves. The aim of the new rates was not merely to raise extra revenue for development programmes, but also to penalise the inefficient port user and to divert ships to the authority's other ports depending on the type of vessel or cargo.

Higher rates

Users of facilities at Keppel Harbour had to pay higher rates in return for a reduction in delay and waiting time, increased productivity and quicker turnaround time. The aim was to divert high-volume low-value cargo to Sembawang Port, bulk cargo to Jurong Port, local coastal shipping temporarily to Telok Ayer Basin and cargo that did not require wharf and terminal facilities to the roads.

The authority says that it succeeded in achieving its major objectives. Waiting time of ships at Keppel Harbour was reduced from an average of 4.5 hours in 1971 to only 1.7 hours in 1972; the turnaround time of vessels in the port improved 18 per cent from 50 hours to 41 hours. Nearly 60 per cent of the port traffic at Sembawang consisted of timber while Jurong Port gained importance as a bulk cargo port with the throughput of bulk cargo increasing 28 per cent.

The revised tariffs have apparently more than succeeded in diverting general cargo from Keppel wharves to the authority's Telok Ayer Basin and the roads. The amount of general cargo handled in Singapore increased only marginally to 10,883,110 freight tonnes in 1972. This was attributed to several external factors, includ-

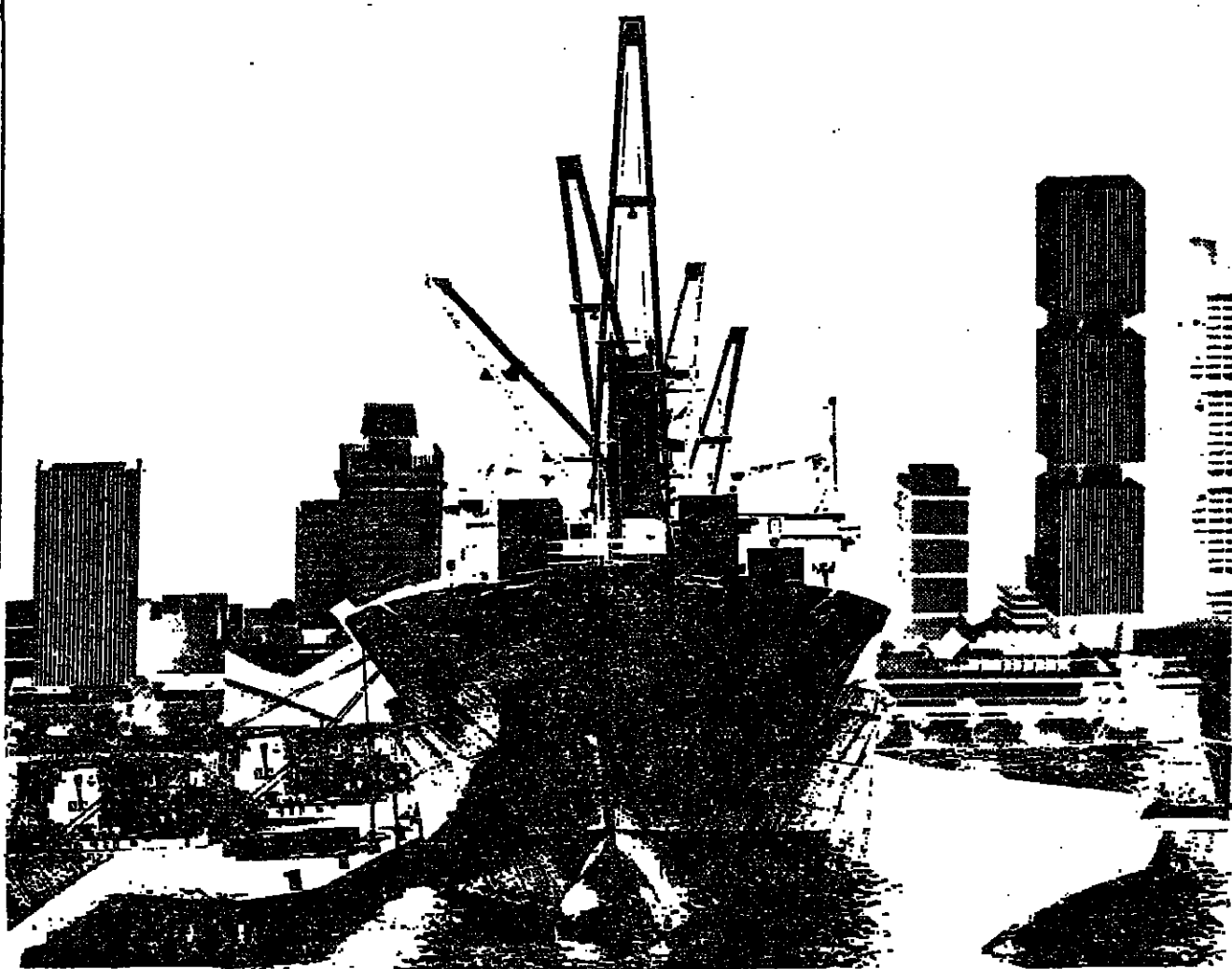
ing the U.S. stevedores' strikes which overspilled into the 1971 figures.

All the involved parties say the new price policy has brought benefits. Consignees and shipowners with small amounts of cargo explain that it is cheaper to take cargo from the roads or from Telok Ayer Basin. Lighters go direct to a boat Quay Godown then charges for them just involve the cost of lighterage which is less than the cost of lorry transport from the port. Furthermore, there is a wharf handling charge at the port payable by the shippers/consignees. Bigger shipping operators appreciate the easy availability of berths and the quicker

turnaround at Keppel. An executive pointed out that apparently cheaper port not be cheaper all. Waiting for berths is problem in some ports continued: "We have for our own experience that taking bigger loads and cargo made ready before we can increase the quantity of cargo loaded in the period by 100 per cent would cost us more in costs and we would pay to the PSA. By making initial extra expenditure hope to make even more terms of time saved. Wh

Continued on next page

UNITISATION OR CONTAINERISATION WE CAN DO IT!



NEPTUNE ORIENT LINES LTD.
100, BUILDING 2, SHENTON WAY, SINGAPORE 1, REPUBLIC OF SINGAPORE
TEL: 953633-7, CABLE: NEPORIENT, TELEX: NEPTUNE RS 21371

AGENTS: PANG-Sing Derby Shipping & Travel Sdn Bhd
23, Beach Street,
P.O. Box 393,
Tel 637915
Cable: SINGAPORE

PANG-Sing Derby Shipping & Travel Sdn Bhd
23, Beach Street,
P.O. Box 393,
Tel 637915
Cable: SINGAPORE

TOKYO-Mitsui Line Agency Ltd.
1-1-2, Chomei, Uchisaiyawa-cho
Chiyoda-ku, Tokyo
Tel 555-5550
Cable: JAPAN LINE
Telex: 228488/124220/JALN357

HONG KONG-Jardine Matheson & Co. Ltd.
Shipping Agency Department
P.O. Box 20, Hong Kong
Cable: JARDINE MATHESON
Telex: HK 3255

We serve Singapore! worldwide trade

Regular liner services from/to all parts of the world
Round-the-clock ships' agency facilities

We are part of the worldwide organizations of the
Netherlands Shipping Union and The East Asiatic
Company Limited of Denmark. We represent:

ScanDutch	:	to/from Europe
Royal InterOcean Lines	:	" Africa
	:	" South America
	:	" Australia
R.I.L./Union SteamShip Co.	:	
of New Zealand	:	" New Zealand
Nedlloyd/Hoegh Lines	:	" U.S.A. Pacific/ Persian Gulf
Koninklijke Nedlloyd B.V.	:	to U.S.A. Gulf
Heap Eng Moh/K.P.M.	:	
Lijnen B.V.	:	Coastal Services
Holland America Line	:	Cruise vessels
Smit International Ocean	:	
Towage & Salvage Co.	:	Ocean Towage and Salvage
Smit-Lloyd B.V.	:	Offshore oil supply vessels
Holland Bulk Transport	:	
Phs. van Ommereh	:	Bulk Services

Many other shipowners, whose vessels call at Singapore occasionally, also make use of our services.

For details contact:

INTEROCEAN-E.A.C. agencies pte. ltd

1, Finlayson Green, Singapore 1
Telephone: 32421-9/92551-9
Telex: RS21387 & RS12161

مكزن الامم

uce in the shipping war

WILSON

As the rate of increase of Line (NOL), of Singapore, and by the Far East Malaysian International Shipping Conference (FEFC), to ring, Corporation — has also taken some of the sting out of next March, has the arguments. NOL and its more the anti-Malaysian counterpart were thorus in Singapore, threatening to walk out of the ume of the chaut Conference last year on the subdued, by com- issue of getting the 40 per previous occasions. cent of Singapore-Europe trade the buoyancy of which the UNCTAD has other commodity enshrined as the ideal (they las one explanation were only carrying 15 per cent.)

ued adherence to the two local bought off with some modest s—Neptune Orient concessions—a guaranteed ex-

clusive fixed berth at Tilbury, Pacific route. Shippers in Keppel and equipped with as three monthly on the Odessa Ocean Line between South East Asia and Europe, is talking of a semi-container sea-land link via Khorramshahr on the Gulf —whence cargo could travel on Soviet rail to Europe.

More and more oil tankers are having to by-pass Singapore and use the Indonesian Lombok Straits instead. In 1971 some 64 supertankers had to make this detour, and last year it looked as if the figure would quadruple. It is well to remember the crucial role which the oil corp- orations will play in Singapore's future as a port. A good four-fifths of the total cargo handled by weight is oil, and so plans for refinery expansion will be a key to the port's destiny.

And now the Thais have once again launched their Kra Canal project to enable Japan-Gulf tankers to cut across the narrow neck of the isthmus between Thailand and Malaysia, by-passing Singapore. Singaporeans have been endowed by their history and circumstances with a keen sense of potential insecurity, which probably accounts for their tendency to boast and brag. Visions of an empty port and an idle work force are easily conjured out of newspaper headlines sensationalising the Kra Canal story.

Pioneering role

The Conferences have also been able to bask in the publicity and glamour of their pioneering role in the container revolution. Since the first super container ship berthed last summer at the Port of Singapore Authority's (PSA) £23m. container port at East Lagoon, the success of the Conference lines in this field and a recognition of the investment outlay involved on the ship-owners' part, have altered the FEFC image.

There are now five groups or consortia operating full container services to and from Singapore. Trio (which includes Ben Line and OCL of Britain) and Scandutch have between them 24 fully cellular container vessels on the Europe run. The Mediterranean Club serves the Mediterranean, while Sea-Land and American President Lines (offering 40-foot rather than 20-foot containers) ply the

Optimum loads

The rubber exporters began to catch on to the merits of containers early this summer, with dealers adjusting to the new optimum loads. It is estimated that there will now be a steady growth of container use so that by the end of this decade about 40 per cent of potentially containerisable general cargo will go by this means.

So for the rate increase, Singapore is just beginning to experience the horrors of inflation after years of free-port price stability, and the argument that the shipping lines have been absorbing higher costs in past years by enhancing their turnover and efficiency is more readily listened to. The PSA itself has just weathered a storm over its own higher charges introduced last year, designed among other things to divert from the over-stretched Keppel Harbour both high-volume low-value cargo like timber (to Sembawang at the north of the island) and bulk cargoes (to the new Jurong Port).

The PSA is assuming a 10 per cent annual rise in the number of ships calling (it was 37,252 last year) and a 7½ per cent rate of increase for cargo handled. This would mean by 1980 clearing 49,000 ships, and the port must therefore expand. The Pasir Panjang port is to double its wharf storage area by 1975 to "serve as a warehousing centre for the region," as Mr. Willie Rasiah, Manager of the Jurong Port, explains.

An inland freight depot at Bukit Timah is to be constructed for storage and break-bulk consolidation, serving the three East Lagoon container berths. The Sembawang and Keppel Harbours will be enlarged—outwards rather than sideways, in the latter case. The offshore island of Pulau Brani will be linked by bridge or tunnel to

the new Jurong Port. The PSA is assuming a 10 per cent annual rise in the number of ships calling (it was 37,252 last year) and a 7½ per cent rate of increase for cargo handled. This would mean by 1980 clearing 49,000 ships, and the port must therefore expand. The Pasir Panjang port is to double its wharf storage area by 1975 to "serve as a warehousing centre for the region," as Mr. Willie Rasiah, Manager of the Jurong Port, explains.

Meanwhile the traditional sealanes are not immune to technological developments. The Trans-Siberian Railway is one threat to Singapore, carrying containers from Europe to Japan almost as quickly as Ben Line can ship them round the Cape via Singapore. Singapore Soviet Shipping, which offers four sailings monthly on the Fesco India Line between Nakhodka and Indian ports, as well

as three monthly on the Odessa Ocean Line between South East Asia and Europe, is talking of a semi-container sea-land link via Khorramshahr on the Gulf —whence cargo could travel on Soviet rail to Europe.

It is thus argued that by the time a Kra Canal could possibly be commissioned, Singapore manufacturing industry would have grown so much that ships would want to call at Singapore regardless. The shippard investments of Hitachi, Mitsubishi and Ishikawajima-Harima Heavy Industries are advertised as declarations of Japanese faith in the future of the port. And the likely volume of South East Asian trade (leaving aside the Japan-Europe and Japan-Gulf traffic) will be enough to keep Singapore busy.

All one can say is that, however nervous some Singaporeans may feel, the port and its development seem as safe as houses. With facilities like that in a growth area as rich as South East Asia, how could any port fail to prosper?

Kra Canal

It is thus argued that by the time a Kra Canal could possibly be commissioned, Singapore manufacturing industry would have grown so much that ships would want to call at Singapore regardless. The shippard investments of Hitachi, Mitsubishi and Ishikawajima-Harima Heavy Industries are advertised as declarations of Japanese faith in the future of the port. And the likely volume of South East Asian trade (leaving aside the Japan-Europe and Japan-Gulf traffic) will be enough to keep Singapore busy.

All one can say is that, however nervous some Singaporeans may feel, the port and its development seem as safe as houses. With facilities like that in a growth area as rich as South East Asia, how could any port fail to prosper?

HONGKONG EXPORT LINES, LTD.

Agent for

ORIENT OVERSEAS LINE
ORIENT OVERSEAS
CONTAINER LINE

BEST WAY
TO AND FROM
SINGAPORE

Associates in

London, New York, Tokyo, Taipei,
Hong Kong, Singapore

Island Navigation Corporation

(South-East Asia) Pte., Ltd.

Maritime Buildings, Collyer Quay,
Singapore, I.

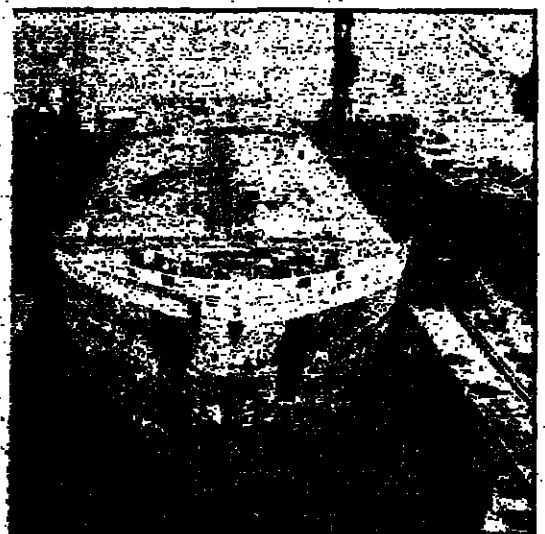
Progressing with

SINGAPORE

Associates in

London, New York, Tokyo, Hong Kong

00,000 ton DRY DOCK AT YOUR SERVICE IN SINGAPORE



SLIDING: Ships, tankers, bulk carriers, dredgers, tug boats, etc. in capacity of 6,000 tons.

REPAIR FACILITIES:

Hydrock: 270m x 40m (885 ft. x 131 ft.) Capacity: 90,000 DWT
Hydrock: 350m x 56m (1,150 ft. x 184 ft.) Capacity: 300,000 DWT
g Dock: 86m x 18m (282 ft. x 59 ft.) Capacity: 2,000 DWT

TRIAL PRODUCTS:

structures of steel bridges, building structure frames, steel dem gages, penstocks, cranes, tanks and vessels.

JURONG SHIPYARD LTD.
Singapore

Venues of Singapore Government and
Jura — Marine Heavy Industries Co. Ltd., Japan
struction, Jurong Yards, Singapore 22.
Tel: 891788 Telex: SETX 21-518 Cables: Jurongship.
FERTILES ENQUIRIES PLEASE CONTACT—
JURA:
Tel: 423-0250, 0251, 0252.
JURA:
Tel: 225-070, 425-539 (HONGKONG NEWYORK)
Tel: 01-481-1823, 1822
Tel: 688-377, 883-798 (HONGKONG LONDON)
Tel: 385-044
Tel: 224-453 (HONGKONG)
Tel: 44-024, 55-059
Tel: 16-088 (HONGKONG)
Tel: 02-0111
Tel: 422-322, 422-388, 422-490, 422-528 (HONGKONG)
Tel: 588-262, 22-53
Tel: 37-782 (HONGKONG)
Tel: 42-583, 42-584
Tel: 21-243 (HONGKONG)
Tel: 23-287, 23-783
Tel: 14-3787 (HONGKONG)
Tel: 27-4381, 27-4387
Tel: 11-010 (HONGKONG)
Tel: 11-010 (HONGKONG)
Tel: 11-010 (HONGKONG)

CONTINUED FROM PREVIOUS PAGE

Port reduces congestion

are doing in effect is increasing productivity."

The setting-up of the free trade zones in 1969 has benefited the entrepot trade. The two free trade zones enable traders and manufacturers to sort and repack dutiable and quota-restricted goods for re-export. The principal goods handled at the zones for re-export consist of made-up garments, batik/sarongs, confectionery, cosmetics, electrical goods and paints. The Singapore

International Chamber of Commerce hopes that with the advent of containerisation and with the shifting trend of the entrepot trade to capital and consumer goods, Singapore will remain as an important centre for entrepot trade in South East Asia.

Singapore's traditional entrepot trade has grown at a declining rate since 1968. This sector contributed \$694m. to the gross domestic product (at factor cost) in 1972. Its share of GDP was still significant at 9.5 per cent. However its growth in 1972 was only 2 per cent. In contrast to the high growth rate of 31.9 per cent. in 1968 and to the growth of the GDP in 1972 of 13.3 per cent.

In his budget speech the Singapore Finance Minister attributed the decline to the pursuit of direct trade policies by neighbours, a decline in commodity prices, especially rubber, until late in the year, the de-escalation of the Vietnam war and uncertain trading conditions particularly in the first half of the year because of the recurring international monetary crisis.

World trends

The Port of Singapore Authority says it has always tried to anticipate world trends. Its most striking success was the decision in 1968 to go ahead with the construction of the container port even though none of the container ship operators had made a definite commitment to build container ships for the Europe-Far East run. When it was learnt in Singapore in 1969 that the European and Japanese shipping lines had ordered 800 feet long third generation container ships the PSA decided to extend the length of the planned container wharf to accommodate two of these vessels.

The official inauguration of the Singapore container port in June last year coincided with the arrival of the first fully-cellular container vessel—Scandutch's Nihon. By the end of the year, 184,855 tonnes of cargo were handled in 11,810 containers. A total of 25 container ships berthed at the container port, of which 10 were on their maiden voyages from Europe. The container port handled more containers and containerised cargo in the first

quarter of this year, 219,641 freight tonnes in 15,298 containers, than it handled in the six months it was operational last year.

The conventional wharves at Keppel still handle containers that come in semi-container vessels, while Sembawang Port handles sea-land containers. The total amount of containerised cargo handled in the first quarter of this year was about

88 per cent of the containerised cargo handled in the whole of last year.

The handling rate at the container port compares favourably with established container terminals in other parts of the world. The best handling rate for last year was 680 containers in 17 hours, an average of 27 containers per hour per quay crane excluding non productive time such as the opening and closing of hatches.

FASTER TURNAROUNDS!

NEW METHODS
NEW SPEEDS
NEW APPLICATIONS

MORE THAN 25 YEARS
OF EXPERIENCE IN ALL
FACETS OF TRANSPORTATION. WE
OFFER FAST AND EFFICIENT
WORLD-WIDE SERVICE.

SINGAPORE BAGGAGE

* CONTAINERISATION * TRANSPORTATION
* CLEARING & FORWARDING * STORAGE * PACKING
* INSURANCE * CUSTOMS CLEARANCE * OFFICE MOVING
* AIR CARGO (Approved I.A.T.A. Cargo Agents)

TRANSPORT AGENCY PTE LTD
21 KIM HURDIE BUILDING, SINGAPORE 1 TEL: 221-1111 CABLE ADDRESS: PHOTONAGS SINGAPORE
SINGAPORE AIRPORT CARGO COMPLEX NO 2 TEL: 8221 EX-43 & 41 OR 8222 & 8224

Singapore
side tra

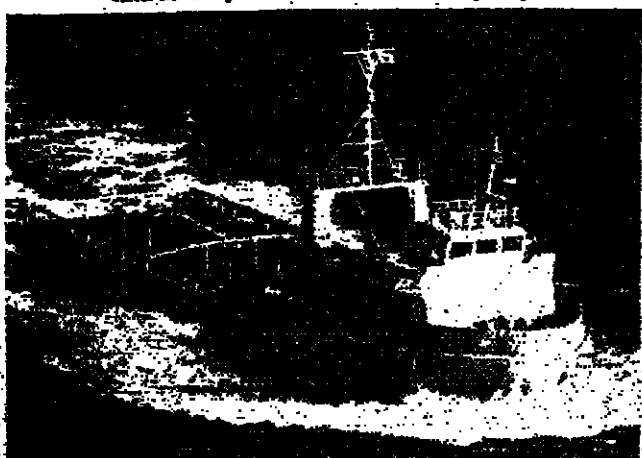
Vosper Thornycroft's Seaworthy Craft

5 decades in S.E.A. 10 in U.K.

Our seaworthy craft go where the going is rough.

Anywhere in Asia Vosper Thornycroft can meet your needs, from oil-rig support vessels to fast patrol craft. At our Singapore yards we can design and build any vessel to your own specifications.

And we offer a comprehensive refitting, modernisation, and repair service for all vessels up to about 1000 tons displacement. When the going is rough remember Vosper Thornycroft. You'll find us everywhere from Kuwait to Sydney.



VO/PER-THORNYCROFT PRIVATE LTD.

200, Tanjong Pagar, Singapore 19. Tel: 489121-3, P.O. Box 95 - Singapore 1.

The Future Centre for Transport & Distribution in South-East Asia

Ocean Building, Collyer Quay.

Opening in 1974 on Collyer Quay is the new 28-storey home for the Straits Steamship and Mansfield groups. Together, Straits and Mansfield are in conventional and container shipping, parcel tankers, freight-forwarding, road haulage, airfreight, car rental, travel, precision engineering, property development and management, data processing and oil-rig supply services and bases.

Straits Steamship Co. Ltd.

Founded in 1890, Straits Steamship is foremost in coastal shipping. It has pioneered fully-palletised cargo out of Singapore and has also developed coastal tanker services for vegetable and mineral oils. Its subsidiary and associated companies include Watt and Akkermans (precision engineers), Computer Processing Services and Borneo Straits Offshore.

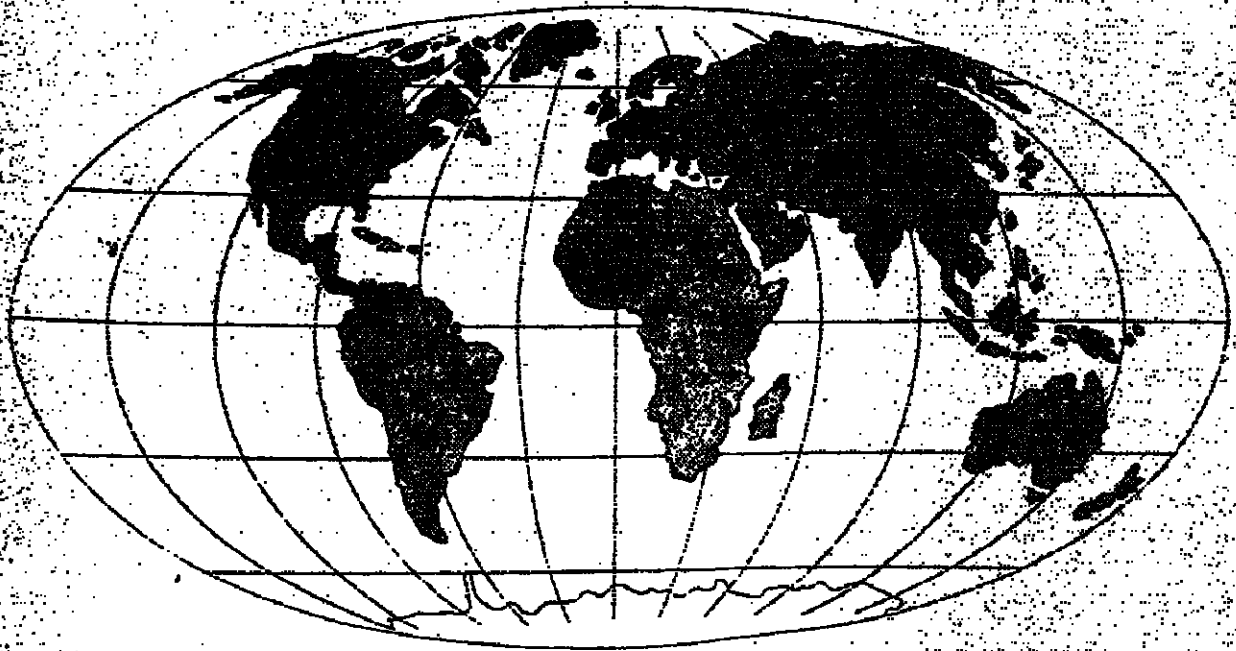
Mansfield & Co. Pte. Ltd.

Founded in 1861, Mansfield has developed into the largest ship management and servicing agency in Singapore. A division of Ocean Transport & Trading Limited, it has held the Blue Funnel agency since 1868. For 50 years it has also managed Straits Steamship. It offers a comprehensive service for all types of vessel. Other agencies include OCL, Glen, P&O, Cunard, Blue Sea, Panoscean, China Navigation.

STRAITS STEAMSHIP CO. LTD.

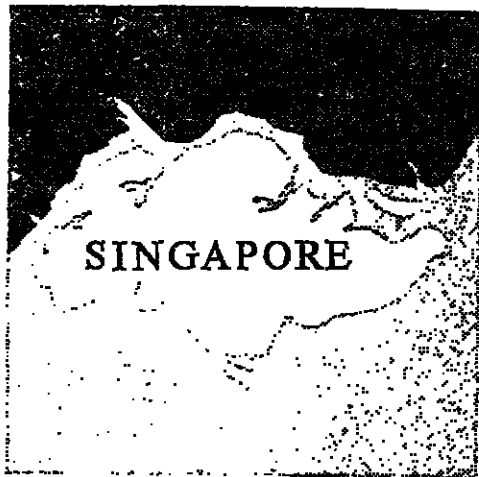
Phoenix Building, Palmer Road, Singapore 2.

MANSFIELD & CO. PTE. LTD.



An International Banking Group:
170 offices in 30 countries in 5 continents.

Including



I. C. Hoffman, Representative,
Lloyds & Bosca International Bank Ltd.,
G.P.O. Box 3348,
14th Floor, Shing Kwan House,
4 Shenton Way, Singapore 1.
Tel: 917422

LLOYDS & BOSCA
International Bank Limited
40/66 Queen Victoria Street, London E.C.4.

The LBI Group has offices in: Argentina, Australia, Bahamas, Belgium, Brazil, Cayman Islands, Colombia, Costa Rica, Ecuador, El Salvador, France, Guatemala, Honduras, Japan, Mexico, Netherlands, New Zealand, Nicaragua, Panama, Paraguay, Peru, Portugal, Singapore, Spain, Switzerland, United Kingdom, U.S.A., Uruguay, Venezuela, West Germany.

SINGAPORE XIV

Doubts lie behind housing euphoria

By KEVIN RAFFERTY

When the British handed attempts to encourage home ownership Singapore claims to be "the only place in the world where you can get a flat for as rickety and liable to an outbreak of revolutionary fire as credits from the compulsory Provident Fund savings to buy houses themselves. Now Mr. Le Kuan Yew's Government has been so successful that its public housing programme is a showpiece for the whole of Asia. But behind the triumphant statistics of 155,000 new homes created and 40 per cent. of the population in low-cost Government-built flats there are nagging and fundamental doubts about the planning procedures—besides the inevitable worries that the bulldozers may have brushed to dust much of value and that the builders may have only erected to-morrow's slums.

One measure of the success of the Singapore housing programme is to compare it with what the British had achieved. At the time of the change of government there was a backlog of 14,120 applications for houses, an estimated extra 18,000 new houses needed each year, and a population still largely housed in kampongs or tumbledown parts of Chinatown. The degree to which the British-established Singapore Improvement Trust had progressively fallen behind can be illustrated graphically by a series of official reports. The 1947 Census recorded that one-third of the population was living "herded into about a thousand acres in the heart of the city with an average density of about 300 persons to the acre and with numbers of large blocks, often back to back, with densities rising to 1,000 or more to the acre." It went on: "At least 100,000 squatters were living in huts made of atap, old boxes, rusty corrugated iron, etc., with no sanitation, water or any of the elementary health requirements." The Trust estimated that the island needed 5,000 housing units a year just to match the natural increase in population. Its own performance was at least 3,000 units below its target each year, except in 1958, its final year, when it completed 3,941 flats, houses and shops.

Major criticisms remain. Flats are still small: a one-room (improved) flat has a total area of 353 square feet, and the average size of all flats being built—with an emphasis on three- to five-room units—is 700 square feet or 170 square feet per person. Statistics are scanty and out of date, but according to a Government survey conducted in 1968 and released only last year an average of 6.2 people lived in each flat, or three persons to a room. This is a higher density than the UN standards adopted in 1950 of 1.4 to two persons per habitable room. It is not much better than the average density before resettlement of 3.26 to a room. The survey also found that the average floor area per person was only 35 square feet in the one-room flats and 54 square feet on average. Minimum British standards for local authority flats lay down that a single person in a bed-sitter must have at least 348 square feet, two people must have 510 square feet, and four people 785 square feet.

Asked where their children played "most of the time," 37.4 per cent. replied in the corridors, 32.4 per cent. said within the flat, 10.4 per cent. on the ground floor, and only 17.7 per cent. in playgrounds and 1.6 per cent. in community centres. It also appeared from the survey that the people who moved to the flats became financially poorer in doing so. The cost of rent and utilities like electricity and cooking rose

from 10 per cent. of a family income in the old homes to 20 per cent. in the Government flats. Whereas before moving 80 per cent. had spent \$550 (\$8) or less a month on rent, in the Government flats 39 per cent. paid less than \$550. Resettled families who moved to one-room flats actually suffered a fall in their income to \$5168.7 a month from \$5172.5, probably because as the poorest people they used to eke out a living by keeping pigs and poultry, now forbidden several stores in the air.

The story of slum clearance and resettlement also suggests interesting questions. An American Professor of Political Science, Mr. Robert E. Gamser, found that hosts of questions were simply not asked before the Government rushed on with its project for reclaiming the Kallang Basin. He lists as unexplored questions: the uses to which the basin was being put; the pattern of land tenure; relative advantages and disadvantages of using the basin as an industrial estate; other possible locations for the type in mind; other uses for the basin; potential effects of resettlement among the inhabitants of the basin; the economic and social needs of either the old or the new population of the basin.

Similar rush

Clearance was carried out in a similar rush, and in one area, for example, a resettlement officer worked on a door-to-door basis. As he bargained with a farmer for the land and crops on which a road was planned, a bulldozer scraped away the vegetables of the man next door whose deal had been completed. The road cleared the path for the later demolition of the homes.

There is evidence that the administrative machine is equally remorseless to-day. If the authorities have decided to clear an area there are plenty of reports to suggest that they do not always take the wishes of the people into account. One kampong recently disappeared overnight. A European neighbour commented: "We don't know what happened this time, but there are many instances of kampongs around here catching fire or falling down suddenly overnight if the authorities want to move a family that doesn't want to go." It would be the housing and planning officials are either uninterested or insensitive. Proof of this is the way the programme has been changed and improved as mistakes have been discovered—although some critics claim that Singapore is a generation behind Europe in its housing planning but has still made most of the elementary mistakes.

There is one fundamental general consideration and at least two important ones particular to Singapore. Professor Gamser sums up: "Yet even when a city like Singapore has developed vigorous programmes that are politically astute, administratively convenient and fiscally sound, there is still no assurance that they benefit the poor. In fact, there is some evidence that these programmes may be disrupting life patterns in a manner that could ultimately hold back the economic progress of the most disadvantaged portions of the populace."

Supply of land

In Singapore this tendency has been strongly reinforced by the faith placed in market mechanisms and by the limited supply of land. Almost all official reports lay great emphasis on the fact that Singapore is an island of only 226 square miles so tower blocks are essential—yet a foreign expert carefully calculated that even if every family was given a 50 by 30 foot lot to build a single storey dwelling, with whatever chickens, plants or trees he wanted to include, 10m. people (two and a-half times the projected zero net growth population Singapore is aiming at) could be accommodated within 150 of those 226 square miles.

In an August report by the principal planner of Singapore's Planning Department one can almost feel the resentment that land is not realising its full price because poor people are squatting on it. He was quoted in a local newspaper as believing that "the case for urban redevelopment has always been strong because economically it is considered wasteful and irrational to have a piece of strategic and valuable land in the city centre occupied by slums."

It is not only the very poor who are losing out. With land prices moving towards \$1,000 a square foot in the prime commercial areas, the middle classes are beginning to feel squeezed. According to some reports, even a man earning \$3,000 a month (about \$5,500 a year) cannot afford to buy a house unless he can make a down payment of \$330,000 (\$58,000) after which he can raise a loan for the rest. A bungalow and a quarter of an acre would cost about \$540,000, of which \$250,000 would be the cost of the land. There are pressures for the Government to build flats and houses for upper income groups—though probably not in such high-rise blocks—and Urban Renewal is planning to give this some priority.

The other factor particular to Singapore is that the Government is run on "such a tight rein" that it is not easy for voices outside the official net work to make themselves heard.

Continued on next page

Who are the property developers?

Property development is a partnership of land, money, and skill. Mackenzie Hill provide the skill—perhaps the most important part of which is bringing together the right land and the right money. But, whereas the land might have belonged to anyone—farmer, local council, industry—the money belongs to everyone. When a field becomes a

warehouse or an old warehouse comes down to make way for a shopping centre, it attracts the investments of people with great responsibilities. Pension funds, insurance companies, institutions with the future at stake are now—with developers like Mackenzie Hill—great property owners and developers.

At strategic points in the development process

networks of the Common Market, and in the Far East too, Mackenzie Hill are creating investments. Urgent industrial and commercial needs are being filled, new needs anticipated. The portfolio of prime sites grows daily.

Many people have a stake in it. Possibly even you. The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

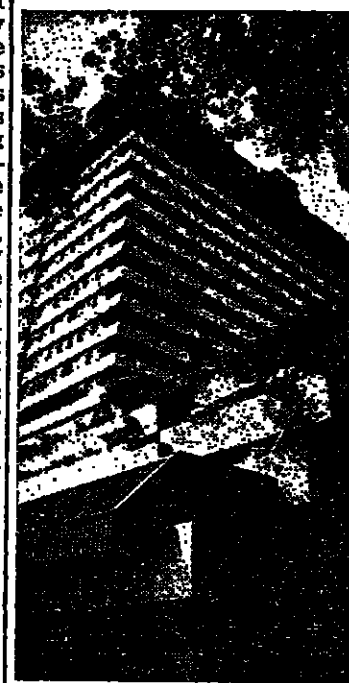
The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

The development of Mackenzie Hill

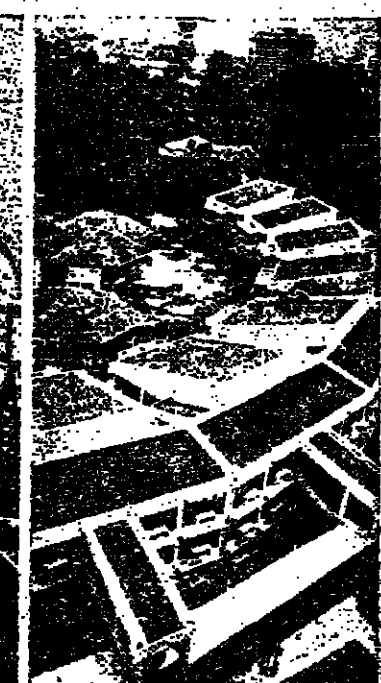
The development of Mackenzie Hill



Ming Court Hotel



Goodwood Park Hotel



Ladyhill Hotel

Why a Goodwood hotel in Singapore will be ideal for you.

Most hotels try to offer all things to all guests. We don't have to. Our hotels specialize.

Each is equipped and run to suit a certain group of guests. And to please those guests in more ways.

We are the Goodwood group, Singapore's own little chain of hotels.

One of our hotels is the Goodwood Park. Spacious, peaceful, spread over 14 acres, it has three swimming pools—and old Colonial hospitality. It suits top businessmen who like to travel with their families.

For excitement, we have the splendid Ming Court on fashionable Orchard Road. Golden roofs, marble courts, Ming elegance—yet a very friendly place. Ideal for young people on a few days holiday.

The Ladyhill is down a leafy lane in the centre of the city. Like a motel/hotel, a cluster of suites round a pool. Our guests often stay a couple of weeks, usually entertain their friends at the very good restaurants within.

the grounds. Write to us and find out which would suit you best. Or call R.M. Brooker Limited, S.R.S. or the Am-Ex Space Bank worldwide.

To: R.M. Brooker Limited, Imperial House, 15/19 Kingsway, London WC2B 6UY, London.

Please send me more information on the Goodwood group of hotels.

Name

Address



When your building project in S.E. Asia is at this stage... it's time to talk to MECAIR

Our 40 years of experience in the field of air conditioning has highlighted the fact that the sooner you consult us the more benefits you will receive. Don't wait until the plans have been finalised, it may be too late. The moment the conceptual drawings have been approved is the right time. The right time to ensure proper planning, lowest possible costs, speedier building and the guarantee that you have the right equipment for the job. That's because MECAIR is the contracting division of I.A.C.—South East Asia's largest suppliers of CARRIER air conditioning equipment. MECAIR can design, supply and install the CARRIER air conditioning equipment (plus plumbing, wiring and ducting) precisely suited to your needs be it for a hotel, a convention hall or an entire shopping complex. MECAIR also provides complete service and maintenance for the full life of the installation.

If it's a job for a specialist air conditioning contractor, it's a job for MECAIR.



MECAIR PTE. LTD.

A member of the IAC group of companies

23 Leng Kee Road, Singapore 3.
Telex: IACSING RS 21540
U.K. representative: Mr. Eric Dilley
40 North Road, Highgate Village, London N6 4AX
Telex: 23291 Telephone: (01) 340 1785
Offices in Singapore, Malaysia & Indonesia.

SINGAPORE XVI

Dependence on U.S. might

By KEVIN RAFFERTY

The British Press seems to have become much more organised or supported, or the threat of such attack," the five planned partners will consult each other. Singapore has no exaggerated forces from the ANZUK ideas of the capability of the (Australia, New Zealand, U.K.) British and New Zealand troops. It is simply that bases are indeed there is a story which occupied by a western ally; if there is some currency in official a threat did develop Singapore Singapore circles that if the hopes that the U.S. would take Australians do not want their them over. The U.S. presence troops on the islands that is elsewhere in the region is their misfortune, not Singa- regarded more highly. Mr. Lee pore's. According to this thesis if the 5-power pact "vanished" Singapore offers cheap facili- ties, the opportunity of training so long as the Americans re- in jungle conditions in Malaysia, view the ANZUK forces are and an aid to recruiting—join the army and see the world (though Australians laugh

heartily at the thought that they are so hard up that they need to join the army to see the world, or that Singapore is in any sense "the world".) The calm Singapore response may seem odd, especially given the personal sniping between Lee Kuan Yew and Gough Whitlam and Mr. Lee's support for a supposed domino theory of the collapse of the nations of south-east Asia. But it is in character—the ground had been well prepared. Unlike many people in Australia the Singa- pore Government had studied Gough Whitlam's Labour Party manifesto, and there had been a number of articles in the local Press about the implications even before Mr. Whitlam won last year's election.

Western forces

The important point in Singa- pore's eyes is that even after Canberra has withdrawn its teeth arms, its infantry battalion and artillery battery, from Singapore early next year, there will still be western forces stationed in Malaysia and Singapore. Australia itself will have 1,500 men and two squadrons of Mirage IIIs at Butterworth in Malaysia. The British will still have 2,500 men, including a battalion of Gordon Highlanders which replaces the First Battalion, the Royal Highland Fusiliers, in November; New Zealand will still have 1,200 men. Ships of the three nations will still patrol on rotation. The commit- ment remains that where either Malaysia or Singapore is faced with "armed attack, externally

cope with the multi-sided out Communists entirely, nor has the Thai Government managed to get rid of its Communist. Singapore is building up its own defence forces, and defence expenditure is a hefty \$5632m. out of a \$52,773.6m. budget. The build-up has not passed unremarked across the cause- way. The Government is caught between the needs for what it sees as a strong defence, and the other demands on its man- power. The compromise it has adopted is to have 15,000-20,000 men on active service at any one time, but to build up reserves through two-year compulsory conscription. Eventually it hopes to be able to put 150,000 men into battle if need be at any time. Realistically, although Dr. Goh has pointed out that the Japanese conquered Singa- pore with only three divisions, the best that the Singapore forces could do would be to hold off an aggressor until the Security Council could intervene. Quite clearly there is fear in the island that as one senior official put it to me: "the Muslim across the causeway will do something unpredict- able" and that fear lies behind the build-up. But of course, Singapore's defence build-up itself causes jitters across the causeway.

The army of 16,000 is quite large for the size of the country but possesses many limitations, not least the scarcity of training areas especially since it can no longer use the Malaysian jungle school. It has a brigade of armour and three battalions of infantry. The navy and air force consist of about 600 men

arguments is to say that there is no evidence that China is imperialist or that North Vietnam has empire-building designs, and that the best way of keeping Communism at bay is by proving that your own way of life is better. But this invites a comment that Com- munism is like a worm that will gnaw at even the most healthy society if given a chance, and that Peking is only too happy to assist its comrades by any means. "Even in countries where the Chinese have established diplomatic re- lations, they assert their right to assist Communist move- ments. They may not be imperialists, but they say they have a duty to their friends," one official said.

Beyond Bangkok

So far as the actual situation is concerned, the view in Bangkok is that Thailand is managing to "muddle through," in spite of three sets of rebels, but the survival of the Thai Government would depend at least on its ability to see beyond Bangkok. If it tried to distribute economic benefits over the whole country, then support for guerrillas would decline. In Kuala Lumpur, officials seem satisfied that the guerrillas are only about 1,000 in number, and are confined to restricted areas where they can neither do mischief themselves nor can the Government forces root them out without spending so much time and money that it would probably not be worth the population they have it. The Government in Kuala Lumpur seems carefully aware that if it pushes its Malayani- sation programme too roughly, it might give its Chinese popula- tion excuse to support the Com- munist. Singapore itself of course has always kept a tight grip on any kind of potential rebel. It is south holds out, the better the psychological advantage for rebels in Malaysia kept the the remaining western-inclined that the Malaysian Government has not succeeded in weeding

CONTINUED FROM PREVIOUS PAGE

Building

the inner harbour breakwater before turning landward. Under detailed study too is the proposal for a mass rapid transit system through the central city area to complement the island-wide expressway network. No decision has yet been taken on whether it should take the form of a monorail, a surface electric train or whether it should be wholly or partially underground. But planners are investigating the construction of an underground tube system in spite of the higher cost estimated at around \$1,000m.

Major car parking stations are to be built on the fringes of the central area. They will be coupled with shuttle bus services into the city centre where in future motor traffic is bound to be curtailed. They will be linked also with a city-wide system of pedestrian walks both elevated and at ground level. Not all of the old city will disappear as urban renewal sweeps across it.

For instance, a Preservation of Monuments Board has been set up to ensure that buildings and sites of historic or archi- tectural interest are saved so that the Republic's colourful and diverse cultural traditions remain intact. In fact among buildings already designated as national monuments are a number of temples, mosques and churches including St. Andrew's Cathedral.

Even some streets of old shophouses of intrinsic charm will be retained and landscaped as pedestrian malls as an attraction for tourists as well as a reminder of present-day

each. Equipment seems to be a problem for all three forces, a Mr. Lee has complained. The army has about 75 AMX 13 tanks, light French tanks whose production line originally started in 1951. The air force has two squadrons of the obsolescent Hunters and a Bloodhound SAM squadron. It has also bought 30 Skyhawks but these are being refurbished and the first squadron is not likely to be flying until 1975. The main naval equipment consist of patrol boats.

What Lee Kuan Yew's critics are most concerned about is the way, they claim, he has opened and possibly over committed himself to the west, a fact which Gough Whitlam thought to seize upon. Malaysia, Singapore say, has been more careful and has pressed for neutralisation of S.E. Asia, a though it may share Singapore's feeling about the chances of getting it accepted. So Tun D. Ismail, the late deputy Prime Minister, pointed out that the SEATO "may have prevented S.E. Asia from being overwhelmed by Communism, but it is sure, it has also ensured continual predominance of external interest and influence in the region."

However, Mr. Lee would probably not mind this. He has said openly, with due regard for the way the international political game is played, that it is his for China to guarantee neutralisation to S.E. Asia when it has no navy. Would China, he asked, show the same anxiety when it has a powerful navy and the ability to chase the Russian round the Indian and Pacific Oceans?

Hotel Royal RAMADA

Newton Road, Republic of Singapore, Singapore 11.
Tel: 534411. Cable: "HOTELROYAL SINGAPORE".
Telex: Royals RS 21644

SINGAPORE

Singapore's newest first-class hotel offers rooms at really low rates. Strategically located in Singapore's downtown commercial and shopping district with easy accessibility to and from any part of the island.

DAILY RATES

SINGLE FROM S\$30
(Singapore \$) or approx. S\$4.75

DOUBLE FROM S\$35
(Singapore \$) or approx. S\$5.15

SUITE FROM S\$120
(Singapore \$) or approx. S\$17.04

321 self contained fully airconditioned rooms with breath-taking panoramic views. The English speaking, multi racial staff serve guests like visiting royalty.

THE ROYAL PALACE
serves the delicacies enjoyed in Imperial China, prepared according to traditional recipes.

THE EMPEROR'S ROOM
offers Spanish specialties and fine Continental cuisine, vintage wines and rare liqueurs.

THE TRISHAW COFFEE HOUSE
just the right place to drop into for a snack. Open 24 hours daily.

THE HAREM GARDEN SWIMMING POOL
an excitingly different poolside bar, where lovely

maidens in exotic harem costumes serve the drinks.

THE HIDEOUT COCKTAIL LOUNGE
right on the rooftop. Music, dancing and soft lighting add to the intimate atmosphere.

Reservation through:
Morris Associates Ltd.,
38, Store Street, London
WC 1E 7DB, Tel: 01-636 9882 or airlines, travel agencies, RAMADA INN-STANT Reservations, AM-EX Space Bank Worldwide or Direct to Hotel Royal RAMADA



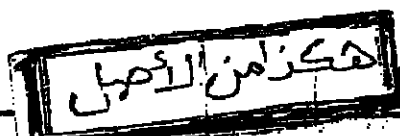
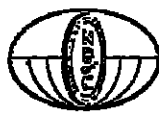
Singapore

Third largest seaport in the world and center of financial growth in Southeast Asia. Also, the location of another of our several international offices.

London Branch: 46 Moorgate, EC2 6BH • Hugh M. Wilson, Vice President and Manager

THE NATIONAL BANK OF COMMERCE of Seattle

Wholly owned affiliates: INTERNATIONAL BANK OF COMMERCE • NATIONAL BANK OF COMMERCE of Seattle (INTERNATIONAL)
SEATTLE • TOKYO • HONG KONG • SINGAPORE • LONDON • NEW YORK • LOS ANGELES



The Discount Company of Singapore off to a good start

Following its launch last November and with the encouragement of the Monetary Authority of Singapore, this Company is making good progress.

It deals in short-term Singapore Deposits, Treasury Bills, short-dated Government bonds and Singapore Dollar bills of exchange.

The Discount Company of Singapore

Rooms 8 and 9, 15th Floor, Straits Trading Building, MB 37,
9 Battery Road, SINGAPORE 1. Tel: 915777.

Associated with The Chartered Bank and
Gillett Brothers Discount Company Limited.

Target for regional envy

SHARP

an outsider, Mr. Whitlam, the Prime Minister of Australia, not best known for his subtle oriental, to the Asian leaders had uttered under their Singapore was rich Mr. Whitlam's re over ABC Tele canberra not long ic brushes with Prime Minister Lee provoked an out- testa Dr. Goh Keng ting Prime Minister, e remarks were un- ntrune.

emotions and put- side for the time s true that after apore now ranks as s' favourite. Aunt s fair? Is Singapore e developed that the egion should look to ance? If not, why is egion does in fact nk Singapore has a to play? And is it g for Singapore to onal interest first?

understanding is to a t Singapore's own ies of self-congrat- al statements have over the last few rstandable enough the Republic's very us, understandable they were aimed boosting domestic also at encouraging investor. But such have boomeranged alistic pressures on which is in fact not sition to become a untly to the rest of

illusions

a new series of htfoward speeches, Singaporeans for from job-hopping to e in the form of ock market specu- d. wearing nylon has acted to demist ectacles a bit. The particular. Malaysia feels it is in fact, has all patronising and prefers invs- no illusions about tors to come to Malaysia in the first place, while Indonesia is stakes but has on the watch for industries elt obliged to pep spilling over from Singapore. ope from time to

res, of course, are b. They, combined h. official state- neighbours this last year, as the attracted regional reality and implications' of despite the un- American withdrawal from alism one finds when Government eme- rately to Government gence as a world power, dawned "I do not honestly apore is a developed He went to Thailand in t," said one Govern- January, Malaysia in March and al. "It is not a matter Indonesia in May.

of national income per capita —it is the distribution of the income and the sources of the income. What is the contribu- tion from the local people? Singapore is so easily tossed aside by international gales, such as the current monetary crisis, and is so desperately striving to export its goods, it is amazing it has any time left to think of others. Yet mis- conceptions about Singapore's apparent wealth have led fellow Asians to make curious demands of the tiny Republic, which after all has only just pulled itself up by its own bootstraps since the shock of confrontation with Indonesia between 1963-1966, separation from Malaysia in 1965 and the British forces withdrawal.

Sri Lanka has, however, lobbied in requests for training facilities for 200 technicians, when Singapore only barely has the capacity to train its own people: The Philippines took a fancy to Singapore's Poly- technic recently and asked for several training places for its own students.

A springboard

What Singapore can and does do is act as a springboard for the region — it redistributes tourists and also foreign in- vestment in the labour-inten- sive, low-skill areas, to its neighbours. This is a new ver- sion of the Republic's tradi- tional entrepot role. "We are not at the stage of being able to give direct aid yet," said an official, "but we do have skills in infrastructure develop- ment—harbour, housing, roads—which we could share, and in marketing, with our East-West trading links." Two non-profit- making "think-tank" units set up by the Government — INDECO and the Applied Re- search Corporation, pool such expertise for the benefit of others.

But Singapore's motives are always suspect and the region d. wearing nylon has acted to demist ectacles a bit. The particular. Malaysia feels it is in fact, has all patronising and prefers invs- no illusions about tors to come to Malaysia in the first place, while Indonesia is stakes but has on the watch for industries elt obliged to pep spilling over from Singapore. ope from time to

res, of course, are b. They, combined h. official state- neighbours this last year, as the attracted regional reality and implications' of despite the un- American withdrawal from alism one finds when Government eme- rately to Government gence as a world power, dawned "I do not honestly apore is a developed He went to Thailand in t," said one Govern- January, Malaysia in March and al. "It is not a matter Indonesia in May.

He went to Thailand in January, Malaysia in March and al. "It is not a matter Indonesia in May.

The Thai visit produced a rare example of regional military co-operation — some Singaporean soldiers would be trained each year at a joint Thai-U.S. commando school, it was announced. And Admiral Jit Sangkhadit, chief of the Royal Thai Naval Staff, said in August, Thailand would use Singapore facilities to provide logistic support for its armed forces. But this was hard-nosed business as much as anything, since Thailand had ordered patrol craft from Singapore shipyards and was sending war- ships to the Republic for repair and maintenance.

To snide asides that Singa- pore encourages foreign troops to take the brunt of regional conflicts such as the Vietnam War, rather than taking a stand with its own army, a Govern- ment official's pragmatic reply was that the Singapore Army was in any case not yet large enough or well trained enough to be of any significance in such conflicts.

There is no doubt, however, that Singapore businessmen will be among the first into the breach to reconstruct Vietnam, as soon as they are sure the time has come. Tourism is, however, a less sensitive area than defence and one in which Singapore has been active.

This year, Singapore has con- tributed \$US\$0,000 to the total association of South East Asian nations (ASEAN) tourism de- velopment fund of \$US\$250,000. This fund has covered projects like the cheap \$S\$97 ASEAN circle air fare encompassing ASEAN capitals, first fully im- plemented by Singapore air- lines (SIA). SIA has also intro- duced a special \$S\$390 fare to Indonesia's beauty spot, Medan, in response to Lee Kuan Yew's appeals for joint development of the area. There may soon also be a coach-air link-up with Thailand and something like 70 per cent of Malaysia's tourist arrivals originate from Singa- pore, say Singapore Tourist Promotion Board sources.

Heavy investments

SIA apart, however, there has been a noticeable lack of Singapore businessmen scrambling to invest in the Medan project since Lee's visit there in May. That the Singa- pore Government itself is fight- ing shy of direct financial in- volvement is no doubt a deterrent to them. The project also requires some alarmingly heavy capital investment before it becomes viable.

As Dr. Goh pointed out in his return to Mr. Whitlam, Singapore is also active in regional training schemes, being the biggest donor to the Colombo Plan after India. With- in ASEAN and the Colombo Plan together, Singapore last year gave 186 scholarships — 163 to ASEAN and 23 to the Colombo Plan. There are still certain areas in which Singapore main- tains an uneasy "we'll wait and see" position: the Straits of Malacca issue, neutralisation of south-east Asia and ASEAN economic co-operation.

Malacca Straits

With its interests as a ship- ping centre so obviously at stake, it was hardly surprising that Singapore should work with Indonesia, Japan, and Malaysia on hydrographic surveys of the Straits of Malacca. Singapore has respected the Malaysian and Indonesian position, that the Straits are national waters open only to innocent passage, although the Republic would probably much prefer the Strait to be declared international waters.

When it comes to more sub- stantial economic co-operation, Singapore, no more and no less than its neighbours, has hung fire. The joint newsprint, steel and petrochemical complexes, the complementary schemes, such as the Asian car project, are all higher in limbo or con- signed to oblivion for ever. But this is not Singapore's fault alone — Thailand has set up a petrochemical complex with the Japanese, just as Singapore will shortly: Ford is operating from the Philippines, General Motors from Malaysia and the newsprint plant looks like being an Indonesian venture.

Straits between Singapore and Malaysia are obvious. "It is hard to see things coldly because we have been so close," said a Malaysian diplomat. "Singapore and Malaysia are complementary—projects like our port and airport develop- ment actually relieve some of Singapore's congestion," de- clared Tengku Razaleigh Bin Tengku Hamzah, chairman of Pemas, the Malaysian state trading corporation.

But old trade ties still bind the two countries — Malaysia is Singapore's second major trading partner, tak- ing \$S\$58.5m. of Singapore goods last year, exporting \$S\$1,136.8m. to Singapore. And in Malaysia's pioneer industries alone, Singapore has interests worth around \$S\$200m., the majority being in manufactur- ing, a non-extractive and largely non-exploitative area.

In Indonesia, the psycholo- gical barriers have come down.

As usual, and as in Malaysia, the major obstacle to be sur- mounted was mutual stereotyp- ing: "I hope that the last seven years may have enabled you and your government to have a better understanding of what we are like in Singapore, that the making of a fast buck, the absence of scruples in the pursuit of wealth associated with merchant adventurers, is a caricature which bears no resemblance to the establish- ments in Singapore nor to the kind of society we have set out to build," pleaded Lee Kuan Yew in Jakarta this year. In Malaysia too, Malaysians dislike Singapore's determined grab at affluence and modernisation preferring to sacrifice a peil- mall rate of economic develop- ment for what they consider higher social goals: Singa- poreans, however, see Malay- sians as quaintly slow and old-fashioned.

Smuggling issue

Smuggling between Singapore and Indonesia remains a sen- sitive issue but Singapore's con- tribution to Indonesia as the third major trading partner and fourth largest investor, is solid.

Singapore's exports to Indonesia last year were \$S\$104m. and its imports from Indonesia \$S\$247m., according to the Bank of Indonesia. Again, the pattern is moving away from Singapore's extractive need for Indonesia's primary commodities, with Indonesia's need for Singapore's capital goods and services looking far more important now. Singa- pore's total approved invest- ment in Indonesia from 1967 to the end of 1972 was \$S\$98.2m.

The Singapore Embassy in Jakarta counts 40 Singapore projects, worth over \$S\$100m., as of September 1972, in flour and rubber milling, timber, manufacturing, hotels and tourism. Cheap labour and a vast market are admittedly key reasons for Singapore's investment but there is some two-way traffic — Singapore's Prima flour mill on Sulawesi Island, for example, has been training Indonesian workers, as have other Singapore-run factories. But Prima is also wholly Singapore-owned and this kind of evasion of the joint venture principle is unlikely to help develop Indonesia's economy or to endear Singapore to Indonesia.

Few of Singapore's actions within the region have been disinterested. But this is under- standable for a new nation — and Tengku Razaleigh of Malaysia might well have been Prime Minister Lee Kuan Yew or any other of the ASEAN leaders when he said recently, "We are a small country. We want people to know that we know our limitations. We realise we have to be friends with as many people as possible. But before we act we have to bear in mind the thinking and atti- tudes of people around us. We don't want teething problems with our neighbours. But, in the last analysis, we have to look after ourselves."

Singapore is a strong voice in the region, sometimes too loud perhaps, but the publicity it gets prevents the world community from forgetting this region. Said one official at Indonesia's national ASEAN secretariat: "We think Singapore's sense of identity is very healthy for ASEAN."



Starting business in Singapore?

Then why not start on day one?

We provide a range of services which will enable your newly arrived executives to become fully operational almost immediately.

We provide:-

- Office space and support facilities.
- Office furniture.
- Office furnishings, carpets, decorations, accessories.
- Business equipment, computers, telexes, photocopiers, accounting machines, projectors, sound systems.
- Corporate services, company registration, insurance, financing, merchant banking, investment services.
- Personnel recruiting services, interviewing, work permit applications, advice on employment procedures.

We can make sure that your office, with everything you need, will be ready when you arrive in Singapore.



JARDINES
Office Supplies & Services

a division of Jardine Matheson Holdings, (S.E.A.) Ltd.,
Shing Kwan House, Sheuton Way, Singapore 1.

FLY BRITISH CALEDONIAN TO SINGAPORE

£295

FOR JUST

WITHOUT BOOKING IN ADVANCE!

Golden Lion Travel offers you the cheapest air fares to Singapore. Plus the guarantee of a seat on a British Caledonian 707 with in-flight service to match.

The single fare is just £95 with 90% reductions for children under 2 years, and 25% reductions for children between 2 and 12 years. The return fare is £190 — with no time limit in the small print.

Two flights a week, on Tuesday and Saturday, leave London Airport Gatwick at 23.45 hrs (an hour earlier after 29 October) and arrive at Singapore at 22.00 hrs local time the following day. In fact, the flying time is under 15 hours with only one stop, at Bahrain, en route.

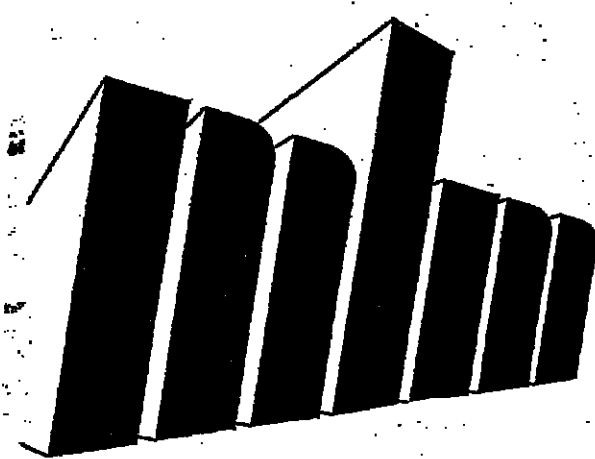
If the flight seems shorter it's because British Caledonian's famous tartan clad British and Asian hostesses are on board to provide a full meal service, including a four-course dinner with wines on the house, and to serve you with refreshments from the bar and duty-free purchases.

Return flights from Singapore take off at 23.30hrs every Wednesday and Sunday and touch down at London next morning at 09.45 (an hour earlier after 29th October).

For the cheapest flights to Singapore — with connecting services to Australia, Hong Kong, Japan and other Far East centres — ask your travel agent to book you through Golden Lion Travel. Or contact us direct.

GOLDEN LION TRAVEL

SUSSEX HOUSE, CRAWLEY, SUSSEX. TEL: CRAWLEY 37471. BELFAST: 21731. BIRMINGHAM: 643 3163. EDINBURGH: 225 5373. GLASGOW: 221 3991. MANCHESTER: 228 2584. NEWCASTLE: 25763



The big one

We are the largest organisation in distributing forest products and allied materials in the United Kingdom.

We are also manufacturers in related fields.

We obtain our supplies from many overseas countries including Singapore.

We were pioneers in the post war timber trade from that area.

We look forward to continuing expansion of our interests in Singapore.

Our address is M.T.T. Company, (Pte. Ltd.), P.O. Box 243, Killiney Road, Singapore 9.



Montague L Meyer Limited
Villiers House, 41-47 Strand, London WC2N 6JG.

There are two really remarkable things about Scicon

The people who work there

The people they've worked for

Ring Keith Haarhoff... in Singapore

Scicon

Scicon (Singapore) Pte. Ltd.

Podium 610, DBS Building, Shenton Way, Singapore 1 Tel: 917324/5

Considering Singapore? Then CDFC have a proposition to make

If you're considering starting operations in Singapore or one of the surrounding countries, we can back you with finance and financial services.

CDFC backing normally consists of a package of equity participation and loan or debenture finance, carefully tailored to meet the needs of your enterprise.

We offer experienced management advice.

We know local conditions and regulations.

We'll give you introductions and contacts in industry, commerce or finance.

There are no formalities in contacting us—just write or telephone and we'll be happy to arrange a meeting to discuss your proposition.

CDFC

Commonwealth Development Finance Company Ltd.

In London

1 Union Court, Old Broad Street, London, EC2N 1EA
Tel: 01-283 9571. Telex: 883725

In Singapore

P. R. Grossey,
Regional Director—South East Asia,
51 Goldhill Plaza, Newton Road, Singapore 11.
Tel: 552787/8 553587 8. Telex: RS21577



SINGAPORE XVIII

Base for oil companies

By GEORGIE LEE

The sudden rush for oil in the waters of South East Asia has left its booming mark on Singapore. Such well-known names as Gulf Oil, Mobil, Esso, Conoco, Amoco, BHP, Shell, Union Oil, Caltex, Continental and Oceanic naturally needed a base from which they could conduct their exploration, secure supplies, technical services, equipment and communication facilities and also, a home in which they and their families could live comfortably.

Singapore was an obvious choice because of its location in the middle of South East Asia.

The Republic has excellent sea and air communication to all parts of the region plus good telephone, telegraph and radio links. Besides this Singapore has other important facilities like a well-developed banking system. The banks of most neighbouring or major countries have branches there.

As an additional bonus the Government looks kindly upon the establishment of local businesses and provides incentives. Many foreign companies related to oil exploration have been able to set up shop in Singapore with remarkable ease and speed, and a minimum of red tape. Of the intangible factors, Singapore's international business and social environment coupled with its largely English-speaking community makes it one of the

easiest countries in the world for international executives and their families to live in. There is not much of a cultural and social adjustment to make as most of the western comforts, food and recreational facilities are available, apart from high standard accommodation. Thus, as oil exploration gathered momentum, Singapore began to enjoy a windfall from these costly ventures.

Over 30 of the world's major oil exploration companies are already located in Singapore besides at least a dozen exploration consulting concerns, a dozen seismic geophysical contractors and an unknown number of engineering firms, diving companies, drilling and construction companies and other specialist outfits. There are also two geophysical computer centres of a size and sophistication equal to any in the world.

Most of these companies bring with them technical personnel who eventually pass on some of their skills and knowledge to local employees, thus upgrading the quality of Singapore workers. They also provide employment directly and indirectly to a large number of Singaporeans.

Exploration budgets are substantial: this year's projections for expenditure on oil in South-East Asia come to more than \$51,000m. Although it is difficult to determine just how much of this is being spent in Singapore, the figure is by no means insignificant.

Offshore rig operators depend substantially on a host of Singapore-based chandlers, supply vessels, food suppliers and specialist companies to keep them going. Some of these support industries have invested heavily in facilities in Singapore. Among these is the huge American oil drilling and construction firm of Santa Fe Pomeroy which is reputed to be one of the biggest in the world.

Support services

Santa Fe has converted part of the former Royal Navy boom defence and marine salvage depot at Loyang, fronting the Johore Straits, into a multi-million dollar support base for offshore explorations in this region. The base provides a wide range of support services including the refitting and repair of rigs, and the manufacture, fabrication and repair of floating platforms, steel pipes, supply craft and drilling equipment and tools. It has also a joint venture with the Singapore Government and the Development Bank of Singapore called Singapore Offshore Petroleum Services within its Loyang base mainly for supplying offshore operations.

But one of the most important things for Singapore oil rig operated in Singapore's waters because oil is unlikely to be found there. Most of the explorations were being conducted in Indonesian waters and eventually the Indonesian authorities demanded a share in these substantial ancillary returns. Indonesia tried to persuade the exploration companies to shift their operations there. It refused to countenance tax offsets against Singapore expenses and insisted on incorporation in Indonesia in order to tender for concessions. The authorities also demanded that companies prospecting for oil in Indonesia should secure their supplies in Indonesia or through its ports.

And to top it all, Indonesia built a nine-storey oil centre in Jakarta to provide office, communication and other facilities for exploration companies and embarked on a housing, hospital and school development programme to provide for foreign personnel. As a result some oil concerns began transferring their operations to Indonesia, but there was no exodus.

For a variety of reasons, a good number stayed in Singapore, some were not really affected by Indonesian regulations, some set up offices in both places and some thought they needed Singapore's facilities. It will be a long time before Indonesia can develop all the technical expertise, facilities and supplies easily available in Singapore.

As one oil man puts it "there is enough wealth generated to be shared by all."

Rapid growth of refining capacity

By GEORGIE LEE

In spite of its small size, Singapore will by 1975 refine more than a million barrels of crude a day which will make it the world's third largest refinery after Houston and Rotterdam. Yet there is not a single oil well it can call its own and its domestic consumption of oil amounts to a mere 10m barrels a year. Growth of this size has occurred in a phenomenally short time.

Barely twelve years ago Singapore's only refinery, belonging to Shell, was capable of refining a mere 48,000 barrels a day. Since then with the setting up of new refineries by other oil companies and the expansion of Shell's plant, the figure has risen to 659,000 barrels a day as more refineries come on stream over the next few months, another 395,000 barrels per day capacity will be added to the total figure.

Such is the rate of expansion of the oil industry that it is as vital to Singapore's economy as the island's long-established trading activities. Oil leads all industries with a contribution of \$5166.5m. in industrial output last year; it also contributes the highest level of productivity in terms of value added per worker. Petroleum products head the list of Singapore's export earning \$1,158m. As a result of this growth, Singapore port is fast becoming a major mineral oil port, handling 45.4m. tons of bulk mineral oil or 80 per cent of the total cargo passing through the port last year. The oil activity has boosted shipping traffic through Singapore bringing substantial invisible earnings through use of the republic's servicing facilities.

Economic expansion of other countries in the region, particularly Japan, coupled with the war in Vietnam led to a rapid rise in energy demands which other countries were unwilling or unable to meet from their own refineries. Singapore's strategic "crossroads" location, its good industrial infrastructure, its relatively cheap but intelligent labour and its favourable political climate—all these factors meant that millions of dollars began pouring into refinery projects on the island.

Shell's biggest

Shell, which pioneered the first refinery in the republic, leads with four refineries of a combined capacity of 378,000 barrels a day situated within its Pulau Bukom complex. Its fifth refinery with a capacity of 180,000 barrels a day also in Pulau Bukom is nearing completion and when fully operational, the entire capacity of the complex will be more than half a million barrels a day. Bukom will then be Shell's largest refining complex in the world in terms of crude distilling capacity—bigger than its present leader, the Pernis refining complex in Holland.

Besides the main refineries Shell also has a base lube plant, capable of a throughput of 400 barrels a day of base lubricating oil.

and Singapore Petroleum to meet their entire need. Furthermore, there is the crucial domestic issue of pollution with which Japanese politicians have to wrestle.

The Japan may make attempts to obtain refined products from other countries, perhaps through joint ventures in countries like Australia to avoid the Straits of Malacca which is now the centre of a maritime controversy. But then the continued growth of the Japanese economy would keep Japanese energy needs rising sharply, perhaps even ahead of available supplies.

But the major problem is not so much of markets for Singapore's petroleum products since world energy demands are still climbing rapidly, but rather the question of crude oil supply. Its dependence on the Middle East leaves it open to oil power politics where the solutions to these sticky problems lie far beyond the purview of Singapore's politicians. As long as the present crisis remains unresolved, the Middle-East threat will continue to hang over Singapore's oil industry.

Joint venture
Singapore Petroleum's refinery, with a capacity of 65,000 barrels, is nearing completion on Pulau Merlimau, a small island opposite Jurong Port. The company, formed in 1968, is a joint venture of the Government-backed Development Bank of Singapore and two American oil companies, Amoco International and Oceanic Petroleum. It is also constructing a carbon dioxide plant jointly with another company to market carbon dioxide in liquid and gaseous forms and as dry ice and nuggets. The plant will be the first of its kind in Singapore.

Half of Singapore Petroleum's exports will go through the Japanese trading house, C. Itoh, with which it has an agreement. In addition, the company recently concluded a co-operation agreement with the Indonesian State-controlled oil giant, Pertamina, on a reciprocal arrangement for supplies if one of them is short of products.

BP's refinery in Pasir Panjang is the smallest of Singapore's refineries with a daily refining capacity of only 25,000 barrels. The bulk of Singapore's crude oil supply comes from the Middle East. Kuwait is the most important supplier, followed by Iran and Saudi Arabia.

The refined products are shipped mainly to South Vietnam, Japan and Thailand, while smaller quantities go to Hong Kong, Hawaii and the U.S. Pacific West Coast, including Alaska. South Vietnam has consistently over the past years been the biggest buyer of Singapore's petroleum products.

But with the de-escalation of the war South Vietnam's purchases have declined—from a peak \$5330.26m. in 1971 to \$5267.55m. last year. Japanese purchases, on the other hand, have been growing steadily, reaching \$5214.94m. last year.

But with such a massive capacity geared for the near future, what are the prospects for Singapore's oil industry? The changes in Japanese oil policies should not prove much of an obstacle to the continued growth of Singapore's oil industry. Although Japan has plans to reduce its dependence on foreign oil companies, it will be some time before it can significantly do so because of a potential fuel shortage.

A THOUSAND AND ONE DELIGHTS AT THE HOUSE OF TANG

SHOP AT THE HOUSE OF TANG WHEN IN SINGAPORE

C. K. TANG (S) PTE LTD.

100, ROBINSON ROAD, SINGAPORE 1 TEL: 0783011

Singapore's Specialist Financial Services for East-West trade

The establishment of a branch in Singapore has extended our specialist financial services in East-West trade by providing an on-the-spot service to our clients in the Far East.

The Bank has been operating in London since 1919. It has close associations with Banks in the USSR and other East European countries, and has specialised for many years in financing East-West trade. Its unique experience in providing banking facilities for this trade is at the service of exporters, importers and financial institutions.

Our Beirut office has, since 1963, served with success the developing countries of the Middle East and Africa. Through our Singapore branch we are able to offer every type of banking transaction in Singapore and South East Asia generally.

Moscow Narodny Bank

TOTAL ASSETS EXCEED £580,000,000.

Head Office
24/25 King William Street,
London, EC4P 4JS.

Beirut Branch
P.O. Box 1381,
Beirut, Lebanon.

Singapore Branch
P.O. Box 1881, I.C.B. Building,
a Shenton Way, Singapore 1.

MNB

APORE XIX

ie anti-pollution battle

respondent

became a dirty is ago at a remark- tage in Singapore's that it cannot be treated for human consumption.

Now it has ist a national obess- ngapore shows it, rist would readily - streets are among in the world. Control is regarded of national priority to defence and relopment.

and litter-free says the Govern- ld not only mean mic advantages in -acting tourists and : to invest in Singa- it is more important ational morale and without which it be possible for a -hieve higher stan- rformance."

has gone about an in regional- ion, using a tough ficer to spearhead n.

ons open e tough tactics is a ategy designed to economic and ions open. Cleanli- minds of Singapore uch more than a rd simple business nd being clean. It g able within a vironment to con- e heavy industries reasly crowded

the pace of rapid -ansion is kept up, self-sufficiency in -comes from neigh- aysia, and to raise e of life of Singa- law-abiding citizens, there are e from what the -ells "a Tokyo-type -at has proved fatal of Japanese.

ution, which is a -m, can be taken as a Singapore of the government whose rivers and streams run -one of Singapore's with clear sparkling water good -reams is unsullied, enough for fish to thrive in and

So badly fouled is the water that flows into the catchment areas that it cannot be treated for human consumption.

And Singapore's daily water consumption is expected to double to 200m. gallons in 10 years' time for a projected population of 2.7m. Construct- ing new reservoirs, re-circulation and re-use of water involving a huge capital outlay will not be enough. Singapore has got to collect unpolluted rainwater for domestic consumption. A big campaign is under way exhorting the population to save every single drop.

To do this, a newly-created Ministry of the Environment has brought out a wide-ranging set of laws that ensure strict compliance by every household, office and factory. Every factory is given time to instal devices to cut down deleterious sub- stances that they discharge either into open drains or into sewers. Hard detergents must be replaced by soft ones. All domestic waste water from kitchens, from the washing of clothes, and from bathrooms will go into sewers and not into open drains. Hawkers will be licensed, and given new sites. Those who ignore the rules face hefty fines.

Extravagance in the use of water will not be tolerated. Water wasting is a criminal offence punishable in the courts with heavy fines. The free water supplied by public stand- pipes that dot the whole island is being speedily cut off. The Government wants to remove every pipe not only to stop indiscriminate use of the water but also to teach citizens that nothing is for free. But for law-abiding citizens, there are sweeteners. Households or industrial plants that keep con- sumption to the bare minimum are given tax rebates.

The vision the Government can be taken as a Singapore of the government whose rivers and streams run -one of Singapore's with clear sparkling water good -reams is unsullied, enough for fish to thrive in and

easy to purify for drinking. Then every inch of the island's annual 90 inches can be retained for the reservoirs. Scientific means are being sought to purify polluted water. Next year, an ozone processing plant will go into operation using a method of treating foul water that has already been success- fully tested in France and the U.S. The French who have found that the ozone process could make the water of the pol- luted Seine drinkable, are now helping Singapore.

Tough safeguards

The waters around Singapore enjoy equally tough environmen- tal safeguards. The authorities passed a Civil Liability (Oil Pollution) Bill that imposes strict liability on the owner of a ship and owner or operator of an offshore or onshore facility for oil pollution damage caused by the discharge or escape of any oil. The rate of liability is \$375 for each ton of a ship's tonnage up to a maximum of \$500m.

But it is ashore that the real battle is being fought. Rapid industrialisation and ambitious urban renewal programmes are turning the island into one big factory town. As incomes go up, so does consumption lead- ing to more and higher apart- ment blocks, more cars, buses and taxis, more refuse and garbage from every household, more electricity generated, more sulphur dioxide belching from power stations, and soot and chemical dust from factory chimneys. Smog is already becoming common especially in the industrial areas, while in the city vehicle fumes are making it increasingly intoler- able to drive during peak hours.

A massive overhaul of the bus system is being undertaken aimed among other things at swifter newer and cleaner buses. Singapore once had 11 bus companies. Now there are four, and the Government is

pressing for these to be merged. Under recently passed laws, all motor vehicles in Singapore must undergo regular check-ups so that faulty exhausts can be identified and remedied. New laws will be introduced to con- trol carbon monoxide and other residual pollutants from exhausts as most other cities of the world are already doing.

Cleaning up industries proved to be expensive. Singapore's sole iron and steel mill has spent millions on special devices. In future, factories will be allowed to use only low sulphur fuel oil and gas. This will cut down the emission of smoke and sulphur dioxide. Open burning of domestic and industrial refuse is being controlled and regu- lated. Either waste is sent to the incinerator—one is being built—or diverted for the manufacture of by-products, sawdust to hard board for instance. Grouping of indus- tries has begun to isolate the clean from the "dirty" ones. Motor workshops scattered all over the island are being moved into areas demarcated exclu- sively for them for easier control and regulation.

Policing of sawmills is extra strict because they are great polluters. They have already been forced to shift to the north of the island away from the city centre partly because prevailing winds can efficiently sweep the smoke out to sea. If the Government has its way, it would rather not have the saw- mill industry at all. Sawmillers are encouraged to invest abroad in neighbouring countries where there are wide open spaces.

Even if the odd dirty industry or two does get in, Singapore say stations for measuring air pollution have been established at strategic points on the island.

The pressure from advanced countries like Japan is tremen- dous. They are all too ready to export their iron and steel mills, petrochemical plants, and wood and paper products factories.

The thought of all this invest- ment is enough to prompt one school of thought in Government to argue that the winds will blow all the pollution away if these plants are located at the eastern end of the island.

Nobody seems to have the answers to the problem, not even a leadership which prides itself on its ability to see far ahead. The belief is that only by 1980 when a younger generation is at the helm with access to more data to decide what is in the best interest of the country will the Government's reckoning, the decision can be delayed no longer than ten years or not only will the main Singapore island but the smaller outer islands be crowded up with people and factories.

Nevertheless, Singapore isn't sitting idly by waiting for the day of reckoning. Tough laws have already been introduced, tougher ones are in store if the situation worsens. There is a long-standing threat to ban cars from the city centre if the smoky exhaust problem is not resolved and the traffic jams cannot be sorted out. If anti-pollution methods cannot increase the reservoir of water to meet demand, the commodity will become dearer for every- one and if that does not help, rationing is not ruled out. To impress upon the public how precious water is regarded, a pilot scheme has been started to use recycled water to flush toilets in some housing estates.

Unending stream

Thanks to an early start, most of the people are aware that the problems are grave. But as the unending stream of offenders who turn up weekly at the courts to plead guilty to pollution offences testify, the preference now is to pay the penalty and damn the inconvenience. But this sort of attitude is not likely to be permanent. Everyone has been forewarned. Says a recent widely publicised policy state- ment: "We (the Government) cannot allow these problems to become complicated by dither- ing or balking at temporarily unpopular measures. The con- sequences of not inconvenienc- ing the polluter now is to face a grave or even critical position in five to seven years time."

London is the Gateway to the East, and we hold the key...

The Anglo-Thai Corporation has traded with the Far East as general merchants and exporters since the latter part of the last century and now operate in Singapore and Malaysia through their Subsidiary Companies:

Eastern Agencies (Singapore) Private Limited

Eastern Agencies (Malaysia) Sendirian Berhad

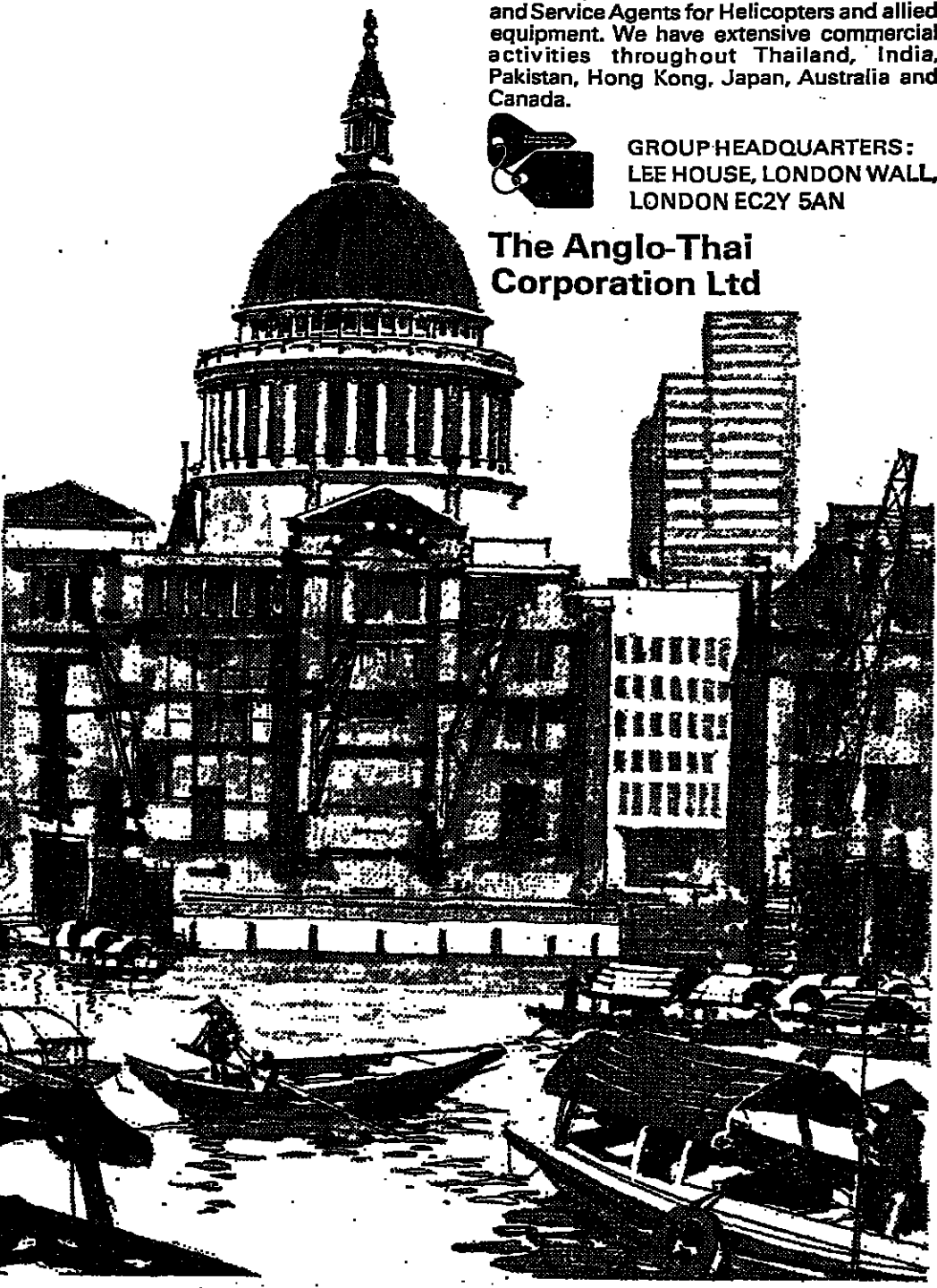
Caldbeck, Macgregor & Company Limited

Heli Orient (Private) Limited

Our operations include products as diver- sified as chemicals, pharmaceuticals and drugs; office equipment; liquors, provisions and many others. We are also Distributors and Service Agents for Helicopters and allied equipment. We have extensive commercial activities throughout Thailand, India, Pakistan, Hong Kong, Japan, Australia and Canada.

GROUP HEADQUARTERS: LEE HOUSE, LONDON WALL, LONDON EC2Y 5AN

The Anglo-Thai Corporation Ltd



rlne with ambition

LOONG

ore it came into It seemed appropriate, Singa- pore Airlines is pulling in Singapore Airlines \$51m. a day in revenue, more the "bold decision" than four times what the three Boeing 747 former joint Malaysia-Singapore Airlines used to make. All the ration of the new fears of falling profits have at decision seems been left far behind.

From a worrying prospect of financial storms following the much-publicised MSA break-up last year, SIA has managed to Atlantic and the weather its teething problems the Pacific, was so well that it is Singapore's most successful commercial enterprise.

MSA had chalked up an impressive record with its 11

key points in Asia and Austr- lia and 35-domestic route operations — when it was announced in early 1971 that a split was imminent. One of the strongest reasons for the split was the thorny subject of whether MSA should concen- trate on improving domestic services in Malaysia or to spread out in an expansion of international flights. Though economically unproductive, the domestic routes were necessary politically for Malaysia, but Singapore was reluctant to bear its share of costs on these routes.

The flurry that followed the announcement of the unavoid- able airline divorce was not unlike that of most divorces: there were the usual who's- taking-what rows. The most sensitive of the involved the MSA initials; a great deal of expensive advertising had been pumped in to make them sell. Singapore's attempt to retain the initials by coming up with the Mercury Singapore Airlines name for its new carrier brought more than raised eye- brows across the Causeway and a \$550m. goodwill claim as retribution.

After much discussion, a new name Singapore Airlines with the initials SIA was finally decided. Along with it went all the then existing MSA's international routes except for the Penang-Medan and Kota Kinabalu-Hong Kong runs. But the points in East Malaysia much sought after by Singapore were not granted. Kuala Lumpur was the only Malaysian stopover for SIA to pick up passengers.

Inherited fleet

With an authorised capital of \$5200m., an issued capital of \$5100m., and assets worth \$5180m., the newly formed Singa- pore carrier was also backed by the whole inheritance of the MSA Boeing fleet of five 707s, three 737s, as well as two out of the 11 Fokker aircraft. SIA took over the head office in Singa- pore, the \$525m. Ericsson IBM instant reservations computer system, the airport engineering base, airport flight kitchen, ramp servicing and transport equip- ment as well as most MSA stations and equipment over- seas.

Singapore's Prime Minister himself, Mr. Lee Kuan Yew, all too aware of the fierce competi- tion ahead, cautioned the air- line against the slipping of stan- dards. There was scepticism about the ability of coun- tries not yet fully industrialised to provide efficient organisation and management, he said, but Singapore had developed a habit for tip-top maintenance and zeal

for service that could prove an advantage over other airlines.

The maiden flight of the Golden Bird—SIA's logo de- signed by Walter Lander Asso- ciates of San Francisco—took place on October 1 last year on the Singapore-London route, after 18 months of painstaking preparation. Serving some 30 cities in 19 countries, SIA is holding its own against other international airlines, even on the Singapore-London route where the break-even load fac- tor of 62 per cent. is higher than on its other routes. At present it has an equal share with Malaysian Airlines System, the Malaysian successor to MSA, on the lucrative Singapore-Kuala Lumpur sector, while a pool arrangement exists for the Kuala Lumpur-Hong Kong haul.

Confident note

So confident is SIA of the saleability of the seats on the Jumbos—especially the Singa- pore-Australia route—which will increase present capacity by two and a-half times, that it is spending some \$510m. a year in training programmes for flying the giants. Cockpit cabin crew are sent to the U.S. for type- training while Jumbo mockups are also being erected at home. A subsidiary, Singapore Air Ser- vices Terminal, has been set up to handle customer services and is tipped to earn \$517m. annu- ally in rendering services to SIA and other airlines.

According to SIA officials, it now plans to consolidate its existing routes by offering addi- tional capacity instead of strik- ing out towards more stopovers on the globe. With the Orient still the most lucrative sector, SIA intends to put a jumbo on this route as the 707s are proving too small for the grow- ing passenger load. The 747s will also be used on the Europe and Australia runs. The con- tinued increase in tourism to Singapore will no doubt have its effect on SIA's decision on its option for a fourth Jumbo.

Apart from South Korea as a possible destination in the future, SIA's only other glance outside its present network is across the Pacific to cities such as Los Angeles, San Francisco and Honolulu. But no move for the trans-Pacific services will be made for a while yet: the back-breaking competition there warrants careful calculation.

In the meantime, Singapore Airlines has proved itself as a national carrier to be reckoned with: the \$520m. profit SIA reaped—in its first six months, 2 per cent. more than the once established MSA's previous six- months' figure—says something of its high flying.

The Boustead Springboard

We are a large industrial group of companies
A big name in South East Asia for 145 years
In manufacturing, plantations, marketing, distribution,
shipping, insurance and engineering
Expanding into new fields
Considering more joint ventures
If you are looking for a springboard into this
fast growing market, maybe you have found it

write to

Alan Charton, Chairman
BOUSTEAD HOLDINGS BERHAD
at P.O. Box 1011, Kuala Lumpur, Malaysia
or
Maritime Building, Singapore



DBS-DAIWA SECURITIES INTERNATIONAL LIMITED

Merchant Bankers in Singapore for you

g the market of Asian Dollar

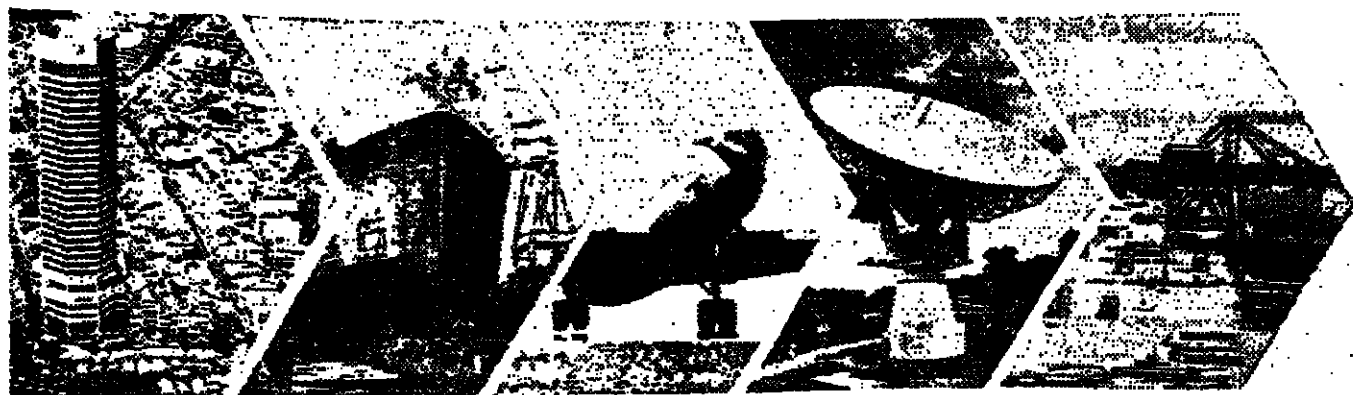
rate Financing Services
ities Investing Services
ment Research and
cial Advisory Services and
Dollar Loans Services

manual of 100 local companies available.

AIWA is a joint-venture of—
Development Bank of Singapore Ltd.
e Daiwa Securities Co., Ltd., Japan.
The Sumitomo Bank Ltd., Japan.

AIWA SECURITIES INTERNATIONAL LIMITED
DIUM 517, DBS BLDG., 6, SEENTON WAY,
SINGAPORE 1.
TELS: 917666 TELEX RS21126
ANS. BACK: DBSDAWA

ALL SIGNS POINT TO SINGAPORE



**WHEN DEALING WITH SINGAPORE
OR INDEED WITH THE REGION
LET THE SINGAPORE LEADING FULL SERVICE
BANKING GROUP ASSIST YOU.**

- * AUTHORIZED DEALER IN ASIAN DOLLARS
- * AUTHORIZED GOLD BULLION DEALER
- * 60 BRANCHES THROUGHOUT SINGAPORE, MALAYSIA, HONG KONG AND TOKYO
TO SERVE ALL YOUR BANKING NEEDS
- * WITH FINANCE, INSURANCE, REALTY, TRUSTEE,
NOMINEES, SECURITIES SUBSIDIARIES
- * WITH ASSOCIATE COMPANIES IN MERCHANT BANKING, LEASE FINANCING
MONEY MARKET OPERATIONS IN JOINT-VENTURES WITH
INTERNATIONALLY REPUTABLE BANKS AND OTHER FINANCIAL INSTITUTIONS
- * CORRESPONDENTS IN ALL PRINCIPAL CITIES OF THE WORLD

GROUP CONSOLIDATED ASSETS EXCEED S\$1,796,000,000

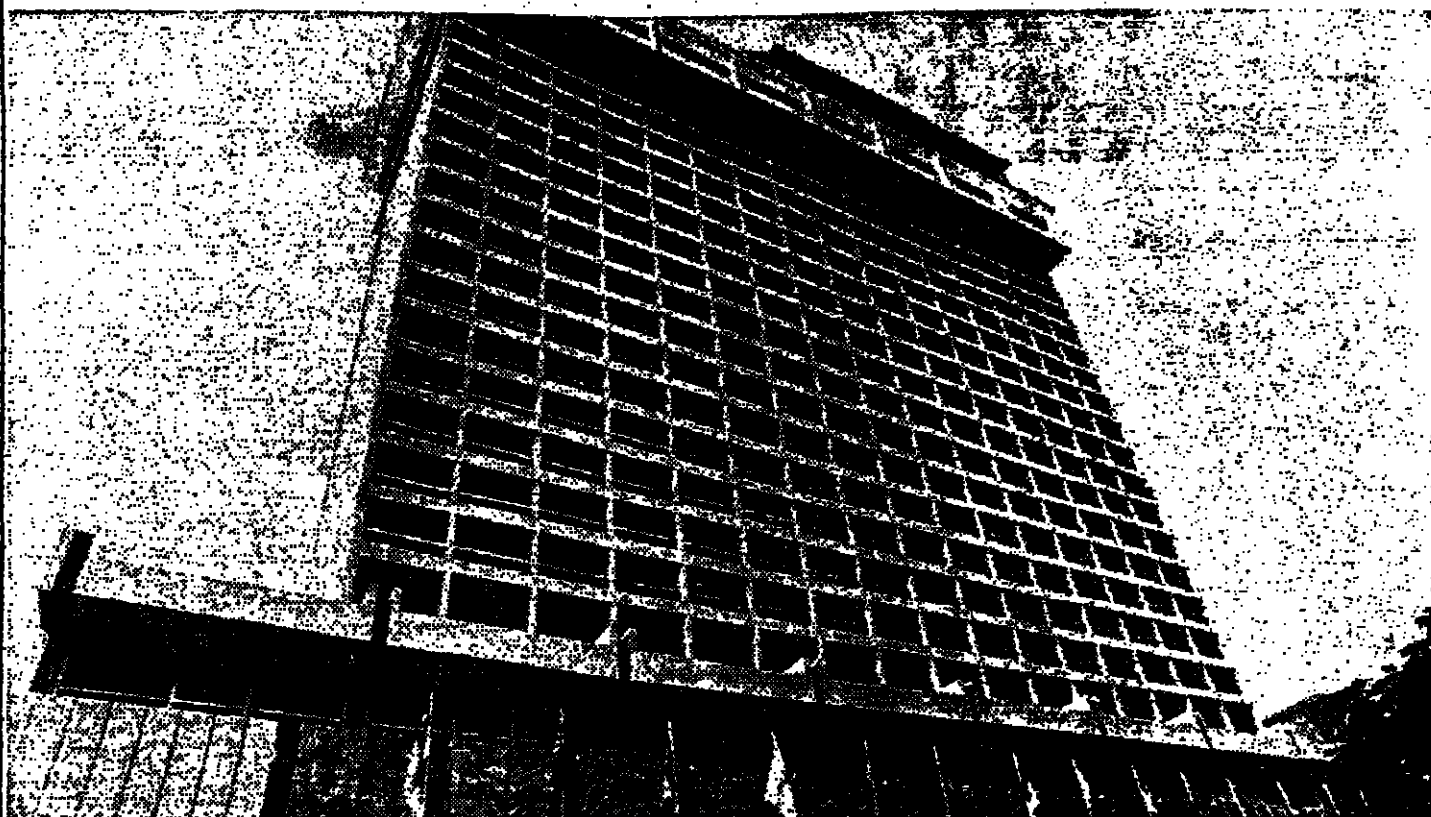
大華銀行 UNITED OVERSEAS BANK

崇僑銀行 CHUNG KHIAW BANK



SANTO CHRISTIAN BANK LIMITED (INCORPORATED IN SINGAPORE)
HONG OFFICE: 75-77 DECK STREET, REPUBLIC OF SINGAPORE. CABLE: YEHUABANK. TELER: 95 91338 OR 23804. YEHUABANK
HONG KONG BRANCH: 15, QUEEN'S ROAD CENTRAL, HONG KONG
TOKYO BRANCH: 500 KODAMA BUILDING 4-4, 3-CHOME, MARUNOUCHI, CHYUO-KU, TOKYO, JAPAN
CABLE: YEHUABANK. TELER: JIGOTR 74-4
HONG KONG BRANCH: 15, QUEEN'S ROAD CENTRAL, REPUBLIC OF SINGAPORE. CABLE: YEHUABANK
HONG OFFICE: 75-77 DECK STREET, REPUBLIC OF SINGAPORE. CABLE: YEHUABANK
HONG KONG BRANCH: 15, QUEEN'S ROAD CENTRAL, HONG KONG
KOWLOON BRANCH: 78, MATTHEW ROAD, KOWLOON, HONG KONG
60 BRANCHES THROUGHOUT SINGAPORE MALAYSIA HONG KONG
AND TOKYO CORRESPONDENTS IN ALL PORTS OF THE WORLD

SINGAPORE XX



The Singapore Hilton

Realistic approach to tourism

By ILSA SHARPE

Gazing up at the skyscrapers shooting up like bamboo shoots in the spring rain along Singapore's "Wall Street," Shenton Way, one might wonder why any tourist should want to come to Singapore. In fact, 783,015 of them came last year, by sea and air, 23.9 per cent. more than in 1971. Next year there may be a million if current projections are only out. Hong Kong is the only other Asian city to reach the million mark.

In the early 1960s, Singapore chose industry-led growth instead of tourism as the means of solving a then massive unemployment problem. Government officials did not think that the island republic could compete with its neighbours as an attractive tourist destination. Bad publicity from the 1950's racial riots was still fresh in the minds of many travel agents and tour operators.

Political stability and a boom-tourist atmosphere have since made Singapore more attractive but tourism officials are still not convinced that tourism will have the effect on Singaporeans. The spectacle of big-spending, free-wheeling Western tourists may also reverse expectations at least among Singapore's modestly paid hotel staff.

In Singapore long hair and flamboyant life styles in general are regarded as deviant. The possible impact may be guessed if one realises that by 1992 Singapore expects more than 2m. tourists a year. Its own population will then be about 3.4m.

The Tourist Board had moved heaven and earth—and airlines and hotels, some of which offered delegates 50 per cent. rebates on fares and rooms—to get the Australian travel agents. Now it has set up a separate Convention Bureau, with its eyes glued first to the potential of the Association of British Travel Agent's 25th convention and of a Travel Agents of New Zealand convention, both in 1975.

Conventions not only fill the hotels but also create other

Peak months

and so on," said one tourism official, "we cannot hope to compete with sights like the Borobudur Temple in Indonesia. No, we sell on our hotels, our clean and green city."

The awareness of Singapore as a Westernised, international city has prompted the Singapore Tourist Promotion Board to change its promotion slogan from "Instant Asia" to "Our World" or "A World within a World."

By country of residence, the tourists are — chiefly from Australia (17.8 per cent.), Indonesia (13.7 per cent.), Malaysia (11.2 per cent.), U.S. 11.1 per cent., Japan (9.1 per cent.) and Britain (8.4 per cent.). The typical tourist last year arrived in the peak months of August, October or December (54.7 per cent.), by air (94.3 per cent.), was male (67.4 per cent.) and on average, 36.8

before the convention is over, this indirectly prolongs length of stay, but are also useful as they can be planned to phase in with off-peak seasons, when hotels are usually slack. But Singapore's main problem is its lack of facilities for conventions involving more than 2,000 delegates.

Singapore hopes Australian travel agents will promote Singapore. The Tourist Board points out that Australians from

Urban renewal is fast biting into the more picturesque parts of old Singapore. There are a handful of listed protected monuments and buildings, ranging from temples to markets and some plans to preserve certain typical sections of "Chinatown"; but the incoming tourist, stepping over from Bali en route for Bangkok or elsewhere, or dropping in to pick up a charter flight to Europe, is probably more interested in Singapore's 70 gazetted hotels offering \$348 years old.

Visitors spent on average \$3494 per head last year—Australians spent \$5144 a day per head; those from the U.S., \$5121 a day, and from Britain \$5111 a day. Shopping accounted for over half of the total expenditure and favourite buys were clothes (50.4 per cent.); stereophonic and sound equipment (28.5 per cent.), photographic and cine equipment (21.7 per cent.), watches (14 per cent.) and textiles (12.6 per cent.).

For those who want to see the world's oldest city, the British market town of Exeter is a good place to start. Exeter is a city of 20,000 people, situated in the heart of Devon, a county of 1,500 square miles. It is one of the most beautiful and historic cities in England. The city is built on a hill, and the old town is a maze of narrow streets and alleys. The city is famous for its cathedral, which is one of the most beautiful in England. The cathedral is a masterpiece of Norman architecture, and it is one of the most important buildings in the city. The city is also famous for its castle, which is one of the most important buildings in the city. The castle is a masterpiece of Norman architecture, and it is one of the most important buildings in the city. The city is also famous for its market, which is one of the most important buildings in the city. The market is a masterpiece of Norman architecture, and it is one of the most important buildings in the city.

British market

interested in Singapore's 7,248 gazetted hotels, offering 8,340 rooms as a base from which he can enjoy duty-free shopping facilities.

Accommodation is increasing by about 11 per cent. a year and the number of packages should be able to offer 1,830 packages. Singapore's hotels, some of the most luxuriously appointed in the region and possibly in the world, have long been operating at low, uneconomic occupancy rates. A building boom over the past few years has created an apparent excess of hotel rooms, but this year, hoteliers are seeing a glimmer

A major problem for the tourist industry here has been the "stopover" complex, which accounts for tourists staying little to rest in the "civilised" comfort of Singapore before sallying forth into the wilder reaches of South East Asia, and to shop around for duty-free goods. The average intended length of stay is 4.9 days but tourism officials reckon actual stay is around 3.9 days.

Singapore has worked hard to create attractions which might hold the tourist's interest longer — apart from the

So pleased is the Board with its Australian drive that it is taking it easy on the market there, branching out into New Zealand instead. And it is keeping a close eye on the British market — we thought the past there was no need to make the British aware of what with our historical links said one official, "but now we are going to open an office there soon." This is despite the fact that Britain ranks as sixteenth source of tourists and second in the tourism growth stake with a 37.3 per cent increase last year.

of light at the end of a long tunnel.

Last year the occupancy rate averaged 61 per cent, and for the first five months of this year the figure was 65.7 per cent. Individual hotel rates range from more than 90 per cent, in the case of top-rankers like the Shangri-La, which charges \$US20 for a standard room, down to 40 per cent, or less. Big-time operators are involved in Singapore's busy hotel scene — the Hilton, Peninsula Group, Western International Holiday Inn and Ramada Inn chains among them.

scheduled "monuments, there are the Jurong Bird Park on the Jurong industrial estate, the Jurong Japanese and Chinese gardens with an 18-hole golf course, the Mandai Zoological Gardens, the Changi Beach complex, the Kallang Park National Stadium and sports complex, the seaside Collyer Quay over-
head shopping bridge, Singapore's self-created mascot, the Merlion, a half-fish, half-lion, sculptured monument-scale on the waterfront, the site of Sir Stamford Raffles, Singapore's founder, landing place complete with statue, and the South-

The Board will be turning it attention to the U.S. later acknowledging that it has proved impossible to cover the vast country with the limited promotions staff it has posted there. But the really big drive this year is in the German and Japanese markets. In link-up with the major German travel wholesalers, Tourne and Scharnow, the Board will channel inclusive tour programmes direct to Singapore from Frankfurt. But officials find it a hard job working against general German ignorance of Singapore. Far

Top rates

To compete, many hotels have indulged in wild counter rate cutting but, as Mr. Hermann Jenny, general manager of the Hotel de Ville, Bangkok, says, they will not be over the last two years. But these can hardly seriously compete with the other natural or historic beauty spots of the South East Asia area.

The single project most likely to boost length of stay is the Sentosa Island development. This small island is to become a pleasure complex by 1975, equipped with hotels, an 18-hole golf course, coralarium, gun museum, maritime museum, swimming lagoon and a cable-car link with the main island.

And Mr. Lim Ewe Hin, general manager and regional director for the Hilton chain, says: "We are the most stupid hoteliers in the whole of Asia. We have the most beautiful hotels, we offer the best service and then we undercut each other." As Lim points out, once

rates fall below international levels, it is a long hard struggle to get them up again.

The adverse social impact of tourism and hotel life on Singapore's tightly disciplined society cannot be underestimated. The Government has expressed concern about the growth of tipping and its

Travel Agents in August.

The 1,020 delegates whooped it up with meat-pie and Fosters beer evenings, wore polka-doted jockey caps at a Singapore Turf Club reception, but nothing could disguise the seriousness of the event so far as Singapore's tourism officials were concerned.

The Tourist Board has organised 15 seminars around Japan this year and finds that the Japanese, pollution-plagued, identify very much with aspects of Singapore such as orchid cultivation and the "garden city" image. It is also contemplating golfing package tours for the golf-mad

**NOW WE HAVE
TWO GREAT WAYS TO FLY
YOU TO SINGAPORE,
THE FAR EAST
AND ON TO AUSTRALIA**



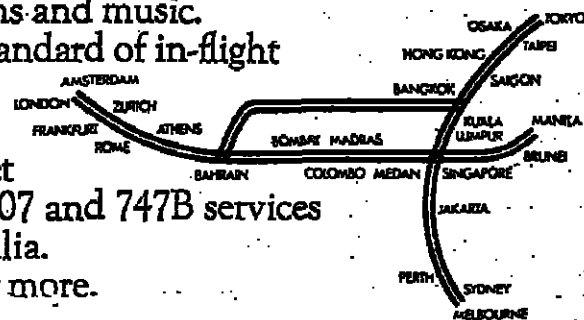
We've added a new giant to our fleet, a giant that's more than just another jumbo, the SIA 747B.

With two lounges, instead of the usual one—the 'Raffles' and the 'Silver Kris'. Two extra galleys for smoother meal service. And eighteen hostesses and stewards to look after you (quite a few more than most 747Bs). As well as standard features like films and music.

It's all part of our aim to maintain a standard of in-flight service that's stood out in the crowded skies for 27 years.

The SLA 747B joins our all Boeing fleet on October 4 and will give you a choice of 707 and 747B services to Singapore, The Far East and on to Australia.

Contact your travel agent and find out more.



A great way to fly

SINGAPORE AIRLINES

Ticket office: 143/147 Regent Street London W1R 7LB Reservations Tel: 01-995 5411 619 Royal Exchange Manchester M2 7FE Tel: 061-834 8354/5

Volvo blazes a trail to America

BY JAMES ENSOR

DECISION, coming into production soon, the other day, to It has bought one-third of DAF's car assembly plant car division. And it appears to be on the brink of reaching an agreement with Renault, France's leading heavy truck manufacturer, which might lead to even-amounted operations. Volvo is also participating in the scheme to build a common European truck, which involves Saab of Sweden, DAF in the Netherlands, and Magirus-Deutz in Germany. Thus, Volvo has built up a very real European base, immune to a large extent from the effects of currency movements or possible trade restrictions.

Volvo's largest overseas market, however, is the U.S., where a carefully mounted and prepared campaign to sell the Volvo virtues of durability, safety and reliability has made a substantial impact. Last year, Volvo sold over 50,000 cars in America, more than any other European quality car manufacturer except Daimler-Benz. Although its U.S. sales are scarcely significant in terms of the total market, which grew to almost 10m. cars last year, they do account for a quarter of Volvo's total production.

Since it sold its first 5,000 cars to Americans in 1956, Volvo's sales have risen almost every year. Last year, the average Volvo dealer sold some 128 cars, a higher figure than that of almost any other import franchise except for Volkswagen and the Japanese makes. The average value of the Volvo sale, of course, was higher than that of Toyota, Datsun or Volkswagen. Thus the Volvo franchise has now become profitable to American dealers, equally exports to the U.S. have become a key to Volvo's profitability.

Leiding at VW tends to think of manufacturing operation in Sao Paulo, Brazil. He helped combined efforts of General Motors and Ford. The export-remarkable 65 per cent. share since taught him the advantages

Components

Volvo's plant in Chesapeake is planned to produce 100,000 cars a year, using Swedish or French-built engines and major components, but employing Americans to assemble them. When it is in full production, it will have helped to raise Volvo's total capacity throughout the world from the 250,000 of to-day to 400,000. By the latter half of the Seventies, Volvo will be assembling more cars outside Sweden than at home, with the 110,000 cars planned for Ghent and the 100,000 at Chesapeake as well as much smaller numbers in Malaysia and Australia.

Volvo is unlikely to be the only European motor manufacturer to take advantage of the recent devaluation of the dollar and move into U.S. assembly or manufacturing. Volkswagen, which is now selling more cars in the American market than in Germany, has been examining the economics of it for some months. Like Gyllenhammar at Volvo, Rudolf



Pehr Gyllenhammar, managing director of Volvo: "We are past the export stage."

of a manufacturing operation close to the market, able to respond to local trends.

Volkswagen has not yet made a definite decision about going into America. Perhaps conscious of its previous over-hasty decision to buy a U.S. manufacturing plant in 1955, it is assessing the prospects thoroughly first. Eighteen years ago, Volkswagen, then a small European manufacturer with a modest business in the U.S., bought a car assembly plant from the ailing American manufacturer Studebaker. The plant, in New Brunswick, New Jersey, was sold again exactly six months later.

Apparently the keen young men in the American marketing organisation underestimated the costs. Quotations from suppliers on various American-made components for the locally-assembled Beetles proved far too optimistic. When tenders were put out, the actual quotes were much higher and Volkswagen soon realised that it would be cheaper to import German cars and pay the transport dues and tariffs.

Wage awards

The cost relationship between Germany and the U.S. has changed radically since then, but despite the American partly because of constant shifts in the exchange rate and partly because of generous wage awards to German metal-workers, German wages in the car industry to-day are not substantially lower than American. At the same time VW, like other

facturing operations in the U.S., have responded to the lure of the American market rather differently. Tyres are relatively expensive to transport, having low value for their weight and bulk. Thus tyre-makers have tended to build plants in each of their major markets and avoid transatlantic transportation except at times of unexpected demand.

Profitable

Dunlop moved into the U.S. some years ago, building a cross-ply tyre and later the peculiar American bias-belted design and marketing them directly as replacements for the American trade. This strategy has been profitable and has provided Dunlop with an estimated 2 per cent. share of the world's largest tyre market.

Michelin, however, has been much more adventurous, since it has chosen to manufacture radial tyres in a new plant in South Carolina, a \$250m. project which will be in operation early in 1975.

Michelin invented the radial and is still acknowledged as the world leader; and it intends to profit substantially from the American swing to radials which it has helped create. It built two tyre plants in Nova Scotia to supply the American market, but despite the American Canadian treaties on car exports and imports, providing for duty-free transfer, the Americans levied a 4.5 per cent. duty on the Michelin tyres shipped from the North.

This as much as anything probably prompted Michelin to invest in South Carolina. The management of this secretive French concern was clearly irritated by the American reaction (which M. Francois described as being based on "ancient, complex and

As for the Japanese—apart from Sony, which has a colour television plant in Southern California and the smaller operations of Hitachi Metals, Nippon Miniature Bearings and Toyoda Textile—they have been hesitant about investing in U.S. manufacturing plant. Japanese productivity and wage rates as well as the efficient Japanese trans-Pacific shipping services with purpose-built bulk carriers make the cost equation on car manufacturing less favourable than it is for European companies. Toyota and Nissan, which both face growing protectionist pressure in the U.S., their biggest single-export market, have discussed the possibility of manufacturing in the U.S.; but so far this seems to be more from a sense of politeness than genuine economic interest.

Motorcycles

The motorcycle manufacturers, however, are in a different position since in many cases they sell as much as 70 per cent. of their larger machines in the U.S. Kawasaki, the second largest manufacturer of heavyweight motorcycles, is apparently seriously considering an American plant. Honda, the world leader in motorcycles, has been conspicuously active in establishing assembly plants in the developing countries of Asia and Latin America, but has not so far ventured in its largest single market, the U.S. But if Kawasaki does move into the U.S., Honda can be expected to consider it seriously too.

our News

BE in first f merger

HOWELL, LABOUR REPORTER

AL Union of Bankers announced a merger with a clearing association—at the land. Bank of Scotland relatively small—its vote in a merger critical time for the union. The merger of the Bank of Scotland and the Clydesdale Association. Negotiations over the NUBS-Bank of Scotland merger started ten months ago—but the ballot result could not have come at a better time for NUBS. More than the required two-thirds of the Bank of Scotland association membership voted in favour of the merger—some 80 per cent. of those actually voting. A transfer of members at the bank is expected very soon but the phasing up of staff association subscriptions to match NUBS level will take more than a year.

Two maximum pay for 27,000 firemen

HOWELL, LABOUR REPORTER

Two pay deal for working week can be reduced to 40 hours outside the £1 plus 4 ment would mean £2 to £2.50 a week rank for a 56-hour week. 2,000 firemen on the increases—worked out in detail proportionately less. Officers' rises up to almost £3. The maximum permissible 1 plus 4 per cent. though the final with the Pay Board, gives the go-ahead, all be backdated to

continuing between grades Union and the over a possible. the working week. Forshadown in 1971. to reduce hours and on Government Phase Three.

White-collar poll

LABOUR REPORTER

G EFFORTS by the of Scientific, Techno-geral Staffs among 2,600 white-collar hell manufacturing l be put to the test onth. parate recognition ing technical and staff and clerical and ve staff have been October 13 at the r series and chemical is successful in the

European exports boost chemical industry surplus

BY OUR INDUSTRIAL STAFF

BRITAIN'S CHEMICAL industry has achieved a substantial increase in its trade surplus so far this year, partly due to a gain of more than 50 per cent. in shipments to Western Europe. This sector appears to have been more successful than most other exporting industries in taking advantage of profitable export prices and booming world demand.

As shown in the table (taken from the latest issue of the Overseas Trade Statistics), the trade surplus in several other important sectors has shown no dramatic change. Small gains have been achieved in textiles, motor vehicles, and aircraft, while the surplus has fallen slightly in iron and steel and non-electric machinery. The biggest deterioration has taken place in electrical machinery, where the surplus has shrunk from £102m. to £38m. so far this year. In August there was a deficit of £24m. While the industry has maintained its favourable balance in electric power equipment, this has been offset by the sharp increase in imports of television sets and

including commercial vehicles and components. Thus, the trade surplus for vehicles as a whole improved slightly from £306m. to £308m.

Under the "telecommunications apparatus" heading in the Overseas Trade Accounts (which includes television sets), a surplus of £78m. in the first eight months of 1972 has been transformed into a deficit of £50m. this year. In domestic electrical equipment a surplus of £4m. has given way to a deficit of £8m.

By contrast, most sectors in mechanical engineering maintained or improved their performance, with gains being recorded in power generating machinery, tractors and farm machinery, and textile machinery. The deficit in office machines widened from £17m. to £32m. during the eight-month period.

Imports of cars in August were worth £32.8m., against exports of £28.6m. For the first eight months of the year the trade deficit in cars amounted to £38m., compared with a surplus of £24m. in the same period of last year.

This disappointing performance was offset by an improvement in the trading position affecting other products,

New head for Concorde project

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A NEW director-general of the programme in the U.K. is part of Concorde's history. The post of senior civil servant in the Department of Trade and Industry. He is when they have completed a tour of duty. Mr. Jones had been with the DTI Electricity Division.

Mr. Binning, who has been an Assistant Secretary in the DTI Finance and Economic Appraisal Division, has already taken up his duties. He travelled in Concorde on the aircraft's recent visit to the U.S. That enabled him to meet those with whom he will be most closely associated as the man in charge of Concorde in the U.K.—including Sir George Edwards, chairman of British Aircraft Corporation, Mr. Geoffrey Knight, vice-chairman, and Mr. Henri Ziegler, president of the French manufacturer, Aérospatiale. Mr. Binning will be responsible for overseeing the entire Concorde programme in the U.K., and for U.K. relations with France on the project. The manufacturers will be reporting to him. It is stressed by the DTI that this change in the top management of the Concorde pro-

Domestic fuel cuts likely this winter

BY LORNE BARLING

SOME COMMERCIAL users of domestic fuel may face cuts in fuel oil, said yesterday that it had confirmed that it had called a campaign to offer trouble stamps in a bid to attract more customers, but claimed it was still going for new business.

The company warned: "If it is a very severe winter we may have said: 'We are confident we can meet our contractual agreements, but if there is a severe winter shortage, we are sure we can keep our commitments to problems.'"

OFFICES TO LET

FREE

In Government designated Areas For Expansion plus generous removal grants

LOB

For Full Details and Conditions see Press Advertising or ring

THE LOCATION OF OFFICES BUREAU

01-405 2921

NORTH WEST

Offices to Let

FREE

In Government designated Areas For Expansion plus generous removal grants

LOB

For Full Details and Conditions see Press Advertising or ring

THE LOCATION OF OFFICES BUREAU

01-405 2921

MUCH OF THE SOUTH WEST

OFFICES TO LET

FREE

In Government designated Areas For Expansion plus generous removal grants

LOB

For Full Details and Conditions see Press Advertising or ring

THE LOCATION OF OFFICES BUREAU

01-405 2921

NORTHERN REGION

Offices to Let

FREE

In Government designated Areas For Expansion plus generous removal grants

LOB

For Full Details and Conditions see Press Advertising or ring

THE LOCATION OF OFFICES BUREAU

01-405 2921

WALES

Offices to Let

FREE

IN GOVERNMENT DESIGNATED AREAS FOR EXPANSION PLUS GENEROUS REMOVAL GRANTS

LOB

FOR FULL DETAILS AND CONDITIONS SEE PRESS ADVERTISING OR RING

THE LOCATION OF OFFICES BUREAU

01-405 2921

SCOTLAND

Offices to Let

FREE

IN GOVERNMENT DESIGNATED AREAS FOR EXPANSION PLUS GENEROUS REMOVAL GRANTS

LOB

FOR FULL DETAILS AND CONDITIONS SEE PRESS ADVERTISING OR RING

THE LOCATION OF OFFICES BUREAU

01-405 2921

NORTH AND HUMBERSIDE

OFFICES TO LET

FREE

In Government designated Areas For Expansion plus generous removal grants

LOB

For Full Details and Conditions see Press Advertising or ring

THE LOCATION OF OFFICES BUREAU

01-405 2921

MIDLANDS

Atterton, Heston, Sutton-in-Ashfield, Workson and Conestry.

If these won't move you, maybe this will.

Recently the Government announced that firms choosing to move offices to the Areas for Expansion will be eligible for grants covering the whole of the cost of the approved rent for up to five years (depending on which area one moves to). This means that your offices may be absolutely rent-free over this period of time.

On top of this, the government scheme offers firms a removal grant of £300 for each employee who moves with his work (up to a limit of 50% of the number of additional jobs created in the new area). The effect of these grants will be to add to the already powerful arguments for relocation, by adding these substantial cash benefits.

The natural economic advantage of relocating one's office outside London currently stands in excess of £1,000 per annum per employee. This figure is made up from "normal" rental savings, savings on salaries which no longer require a London weighting, and the economies derived from reduced staff turnover and absenteeism. It does not include productivity gains or qualitative improvement in work produced by office staff when they operate in a more humane environment outside the metropolis.

The Areas for Expansion already have many new industrial concerns operating successfully; this means there is a thriving pool of labour in many regions for you to call on. Nearly 4 million sq. ft. of office accommodation is available or under construction in the Areas for Expansion and there is no shortage of good sites.

Full details of the Government Areas for Expansion grants are available from LOB, along with any advice and help you may need. LOB's advice is free and is based on ten years of relocation experience.

Get a move on. Call us now.

Location of Offices Bureau.

27 Chancery Lane, London WC2A 1NS. 01-405 2921

INTERNATIONAL COMPANY NEWS EURO MARKETS

Straight sector picks up

BY MARY CAMPBELL

THE STRAIGHT sector of the dollar bond market picked up markedly last week. The Bond-Trade indices for both long- and medium-term dollar bonds were up substantially. Convertibles were also up, though by less than in the previous week.

The most hopeful news for the market is the continuing evidence that interest rates are on the turn. The decision by one Mid-West U.S. bank to lower its prime rate has not yet been followed by any of the larger U.S. banks.

However, Treasury Secretary Shultz has publicly endorsed the view that interest rates are past their peak, a view backed up by the operations of the Fed. Meanwhile interest rates in the Euro-dollar market fell sharply last week, thus confirming the trend set earlier. Just how far interest rates will fall is another question—but meanwhile the Euro-

bond market has received a much needed shot in the arm.

On the new issue market, Morgan & Co. and Skandinaviska Enskilda Banken have announced a \$80m. offering for Skandinaviska Rafinaderi which is partially owned by Texaco. The indicated coupon is 8 1/2 per cent. The Airless issue, coupon 8 1/2 per cent, has closed well-covered at par.

In these circumstances the price being paid by the British borrowers for fixed rate finance continues to look very high. Where Airless has got away at 8 1/2 per cent, for a ten-year fixed rate money, Dundee is paying 9 1/4 per cent for ten-year funds.

However, what has effectively happened is that the Post Office has borrowed at what is widely regarded as the top of the interest rate cycle and is paying a rate which, if this proves true, should start yielding big divi-

dends for the lending banks very soon. Even now the price of one-year money on the Euro-dollar market is below 10 per cent.

Following the success of the first Euro issue, it now looks as though a second issue will be time for a corporate customer—not to be long delayed. The European Investment Bank issue continues to do well in the secondary market and is trading at around 101-103, substantially above the 99 1/2 per cent issue price. However, this is largely because of its exemption from the Italian restrictions on overseas investment, which appear to have been extended in full to the secondary market according to some sources. Italians are free to buy as much as they like of the issue on the secondary market, though they were restricted to taking 10 per cent of the primary offering.

Jardine bids for Philippine company

HONG KONG, Sept. 30.

JARDINE MATHESON and Co. is making a HK\$25m. bid for the stock of H. Davies and Co., an Hawaiian and Philippine trading company.

Jardine's is offering three Jardine Ordinary shares for each of the 12m. Davies stock. The bid put a value of \$40.50 on the Davies stock which is quoted on the Hawaiian Stock Exchange and is traded over-the-counter in the U.S. The last traded price of Davies was \$22.

Mr. Henry Keswick, Jardine's chairman, said he had acceptance of the offer from the Davies family and some British institutions for over 50 per cent of the stock.

Some 40 per cent of the Davies stock is held by U.S. residents and due to U.S. regulations Jardine will make a separate cash offer to these shareholders. Mr. Keswick said.

Other shareholders will have the option to take up to 25 per cent of the three-for-one share offer in cash. The cash for the deal has been raised by the long term placing of 2m. Jardine shares with the Prudential Assurance Company in London, he said.

The new stock to be created for the Prudential placing and the share exchange represents a 5 per cent dilution of Jardine stock. Mr. Keswick said, but added that Davies had net tangible assets of a book value of HK\$200m. and returned a consolidated net profit last year of HK\$15.5m. Mr. Keswick said Jardine's assets was considerably higher than the book value and the acquisition is expected to enhance Jardine's earnings and net assets per stock.

Mr. Keswick said Davies had not had an explosive profit growth over recent years. But he expected improved figures for 1973. Davies is a trading company with real estate interests in the main business districts of Honolulu and 40,000 acres of sugar and ranch land in Hawaii. In the Philippines Davies own factories milling sugar, and manufacturing cement, paint and air-conditioning equipment. Questioned on the recent \$5.8m. private note placement through Swiss bank, Mr. Keswick said the funds would be used to repay other short-term currency borrowings and to develop real estate interests, notably Hong Kong's World Trade Centre. He declined to reveal the coupon of the notes.

TEL AVIV STOCK EXCHANGE

Company	Price	Change	Company	Price	Change
Banking Insurance and Finance	289	+8	Investment Companies	197.5	+1
Bank Leumi Le Israel	192	-1	Discount Bank Leumi	240	-1
Bank Hapoalim	192	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1

HONG KONG

Company	Price	Change	Company	Price	Change
Banking Insurance and Finance	289	+8	Investment Companies	197.5	+1
Bank Leumi Le Israel	192	-1	Discount Bank Leumi	240	-1
Bank Hapoalim	192	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1

SINGAPORE PRICES

Company	Price	Change	Company	Price	Change
Banking Insurance and Finance	289	+8	Investment Companies	197.5	+1
Bank Leumi Le Israel	192	-1	Discount Bank Leumi	240	-1
Bank Hapoalim	192	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1

JOHANNESBURG

Company	Price	Change	Company	Price	Change
Banking Insurance and Finance	289	+8	Investment Companies	197.5	+1
Bank Leumi Le Israel	192	-1	Discount Bank Leumi	240	-1
Bank Hapoalim	192	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1

AUSTRALIA

Company	Price	Change	Company	Price	Change
Banking Insurance and Finance	289	+8	Investment Companies	197.5	+1
Bank Leumi Le Israel	192	-1	Discount Bank Leumi	240	-1
Bank Hapoalim	192	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1
Bank Leumi Le Israel	240	-1	Bank Leumi Le Israel	240	-1

Indices

NEW YORK

Index	Value	Change
Dow Jones Industrial	1,150.30	+1.25
Dow Jones Transportation	1,150.30	+1.25
Dow Jones Utility	1,150.30	+1.25
Dow Jones Composite	1,150.30	+1.25
Dow Jones Foreign	1,150.30	+1.25
Dow Jones International	1,150.30	+1.25
Dow Jones Global	1,150.30	+1.25
Dow Jones Euro	1,150.30	+1.25
Dow Jones Asia	1,150.30	+1.25
Dow Jones Africa	1,150.30	+1.25
Dow Jones Oceania	1,150.30	+1.25

STANDARD AND POORS U.S. STOCK INDICES

Index	Value	Change
S&P 500	1,150.30	+1.25
S&P Industrial	1,150.30	+1.25
S&P Transportation	1,150.30	+1.25
S&P Utility	1,150.30	+1.25
S&P Foreign	1,150.30	+1.25
S&P International	1,150.30	+1.25
S&P Global	1,150.30	+1.25
S&P Euro	1,150.30	+1.25
S&P Asia	1,150.30	+1.25
S&P Africa	1,150.30	+1.25
S&P Oceania	1,150.30	+1.25

MELBOURNE YIELDS

Yield	Value	Change
3m	1,150.30	+1.25
6m	1,150.30	+1.25
12m	1,150.30	+1.25
18m	1,150.30	+1.25
24m	1,150.30	+1.25
30m	1,150.30	+1.25
36m	1,150.30	+1.25
42m	1,150.30	+1.25
48m	1,150.30	+1.25
54m	1,150.30	+1.25
60m	1,150.30	+1.25

SYDNEY ALL ORD. INDEX

Index	Value	Change
Sydney All Ord.	1,150.30	+1.25
Sydney Industrial	1,150.30	+1.25
Sydney Transportation	1,150.30	+1.25
Sydney Utility	1,150.30	+1.25
Sydney Foreign	1,150.30	+1.25
Sydney International	1,150.30	+1.25
Sydney Global	1,150.30	+1.25
Sydney Euro	1,150.30	+1.25
Sydney Asia	1,150.30	+1.25
Sydney Africa	1,150.30	+1.25
Sydney Oceania	1,150.30	+1.25

DOW JONES AVERAGES

Index	Value	Change
Dow Jones Industrial	1,150.30	+1.25
Dow Jones Transportation	1,150.30	+1.25
Dow Jones Utility	1,150.30	+1.25
Dow Jones Composite	1,150.30	+1.25
Dow Jones Foreign	1,150.30	+1.25
Dow Jones International	1,150.30	+1.25
Dow Jones Global	1,150.30	+1.25
Dow Jones Euro	1,150.30	+1.25
Dow Jones Asia	1,150.30	+1.25
Dow Jones Africa	1,150.30	+1.25
Dow Jones Oceania	1,150.30	+1.25

STOCK AND BOND YIELDS

Yield	Value	Change
3m	1,150.30	+1.25
6m	1,150.30	+1.25
12m	1,150.30	+1.25
18m	1,150.30	+1.25
24m	1,150.30	+1.25
30m	1,150.30	+1.25
36m	1,150.30	+1.25
42m	1,150.30	+1.25
48m	1,150.30	+1.25
54m	1,150.30	+1.25
60m	1,150.30	+1.25

HONG KONG INDEX

Index	Value	Change
Hong Kong Index	1,150.30	+1.25
Hong Kong Industrial	1,150.30	+1.25
Hong Kong Transportation	1,150.30	+1.25
Hong Kong Utility	1,150.30	+1.25
Hong Kong Foreign	1,150.30	+1.25
Hong Kong International	1,150.30	+1.25
Hong Kong Global	1,150.30	+1.25
Hong Kong Euro	1,150.30	+1.25
Hong Kong Asia	1,150.30	+1.25
Hong Kong Africa	1,150.30	+1.25
Hong Kong Oceania	1,150.30	+1.25

EUROPE

Index	Value	Change
Europe Index	1,150.30	+1.25
Europe Industrial	1,150.30	+1.25
Europe Transportation	1,150.30	+1.25
Europe Utility	1,150.30	+1.25
Europe Foreign	1,150.30	+1.25
Europe International	1,150.30	+1.25
Europe Global	1,150.30	+1.25
Europe Euro	1,150.30	+1.25
Europe Asia	1,150.30	+1.25
Europe Africa	1,150.30	+1.25
Europe Oceania	1,150.30	+1.25

AMERICAN SHARE MARKET

Index	Value	Change
American Share	1,150.30	+1.25
American Industrial	1,150.30	+1.25
American Transportation	1,150.30	+1.25
American Utility	1,150.30	+1.25
American Foreign	1,150.30	+1.25
American International	1,150.30	+1.25
American Global	1,150.30	+1.25
American Euro	1,150.30	+1.25
American Asia	1,150.30	+1.25
American Africa	1,150.30	+1.25
American Oceania	1,150.30	+1.25

JOHANNESBURG

Index	Value	Change
Johannesburg Index	1,150.30	+1.25
Johannesburg Industrial	1,150.30	+1.25
Johannesburg Transportation	1,150.30	+1.25
Johannesburg Utility	1,150.30	+1.25
Johannesburg Foreign	1,150.30	+1.25
Johannesburg International	1,150.30	+1.25
Johannesburg Global	1,150.30	+1.25
Johannesburg Euro	1,150.30	+1.25
Johannesburg Asia	1,150.30	+1.25
Johannesburg Africa	1,150.30	+1.25
Johannesburg Oceania	1,150.30	+1.25

AUSTRALIA

Index	Value	Change
Australia Index	1,150.30	+1.25
Australia Industrial	1,150.30	+1.25
Australia Transportation	1,150.30	+1.25
Australia Utility	1,150.30	+1.25
Australia Foreign	1,150.30	+1.25
Australia International	1,150.30	+1.25
Australia Global	1,150.30	+1.25
Australia Euro	1,150.30	+1.25
Australia Asia	1,150.30	+1.25
Australia Africa	1,150.30	+1.25
Australia Oceania	1,150.30	+1.25

CANADA

Index	Value	Change
Canada Index	1,150.30	+1.25
Canada Industrial	1,150.30	+1.25
Canada Transportation	1,150.30	+1.25
Canada Utility	1,150.30	+1.25
Canada Foreign	1,150.30	+1.25
Canada International	1,150.30	+1.25
Canada Global	1,150.30	+1.25
Canada Euro	1,150.30	+1.25
Canada Asia	1,150.30	+1.25
Canada Africa	1,150.30	+1.25
Canada Oceania	1,150.30	+1.25

NEW YORK

Index	Value	Change
New York Index	1,150.30	+1.25
New York Industrial	1,150.30	+1.25
New York Transportation	1,150.30	+1.25
New York Utility	1,150.30	+1.25
New York Foreign	1,150.30	+1.25
New York International	1,150.30	+1.25
New York Global	1,150.30	+1.25
New York Euro	1,150.30	+1.25
New York Asia	1,150.30	+1.25
New York Africa	1,150.30	+1.25
New York Oceania	1,150.30	+1.25

JOHANNESBURG

Index	Value	Change
Johannesburg Index	1,150.30	+1.25
Johannesburg Industrial	1,150.30	+1.25
Johannesburg Transportation	1,150.30	+1.25
Johannesburg Utility	1,150.30	+1.25
Johannesburg Foreign	1,150.30	+1.25
Johannesburg International	1,150.30	+1.25
Johannesburg Global	1,150.30	+1.25
Johannesburg Euro	1,150.30	+1.25
Johannesburg Asia	1,150.30	+1.25
Johannesburg Africa	1,150.30	+1.25
Johannesburg Oceania	1,150.30	+1.25

AUSTRALIA

Index	Value	Change
Australia Index	1,150.30	+1.25
Australia Industrial	1,150.30	+1.25
Australia Transportation	1,150.30	+1.25
Australia Utility	1,150.30	+1.25
Australia Foreign	1,150.30	+1.25
Australia International	1,150.30	+1.25
Australia Global	1,150.30	+1.25
Australia Euro	1,150.30	+1.25
Australia Asia	1,150.30	+1.25
Australia Africa	1,150.30	+1.25
Australia Oceania	1,150.30	+1.25

CANADA

Yield %
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

[illegible]

170.79	167.01	165.75
179.24	175.66	174.49

Group		Yield %	
Group	C.A.	588	1712
6.9	102.1	—	—
7.4	92.1	—	—
7.4	102.2	—	—
7.4	25.8	—	—
17.1	125.5	—	—
17.1	125.2	—	—
Sept. 17		Sept. 2	
Grand Limited		Grand Limited	
Grand, France		Grand, France	
11.5	107.8	—	—

666 Ltd.
CIV 7PB, 01-242 8233
5.0 101.8

Ed. & Life Ass. Soc.	
Schubert	222 7th
55.3 258.0	—
Canada (U.K.) Ltd.	
SWITZ BRZ	230-600
139.5	—
Insurance Co. Ltd.	
House Rd.	Aylbury
1922	1921
9 102.2	—
9 137.0	—
126.0	—
7 69.6 +1.5	—
0 72.1 +1.5	—
Insurance Co. Ltd.	
W.C.1	01-335 3712
50.0 100.0	—
50.0 100.0	—
50.0 100.0	—
50.0 100.0	—
50.0 100.0	—

Life Assurance

4.8	17.5		
4.9	Ltd.		
116.4		0272	3242
152.0			
140.0			
151.4			
108.4			
94.6			
132.8			
142.4			
152.93			
8	97.0		
Oct. 12.	- Oct. 2,		
4. Ltd.			
77.0		0272	3242
104.8			
113.6			
101.2			

100.8 -
• Oct. 1.
Insurance Ltd.

Avra. ECG	01-25-5422	5
99.5	-----	---
Company Ltd.		
Cost	0005	5733
137.9	-----	---
87.7	-----	---
93.8	-----	---
101.3	+1.9	---
103.2	+1.8	---
126.4	+2.2	---
Co. Ltd.		
Cost	Cal. 53145	---
5 48.9	-----	---
24.0	-----	---
17.47	-----	---
ES		
all buying expenses		
here otherwise in-		
surance insurance funds		
based capital gains		

OTHER RESTRICTIONS.

HARTEBEESTFONTEIN GOLD MINING COMPANY LIMITED

(Incorporated in the Republic of South Africa)

Mr. B. E. Hersov's Review

usual meeting will be held on 23rd October. The following is the chairman, Mr. V. Hersov's review of the year ended 30th June 1973.

Production

Zandpan mine, situated on 1st July, a fully integrated company's mine and operations. Compared with the previous year's production, there has been a significant increase in the year ended 30th June 1973.

Financial Results

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

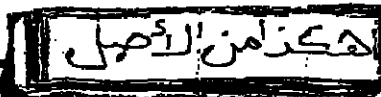
Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

Production

During the year, the company's production of gold increased by 10% to 1,377,995 ounces. The company's revenue increased by 10% to R1,377,995. The company's profit after tax increased by 10% to R1,377,995. The company's dividend increased by 10% to R1,377,995.

30LF



BY BEN WRIGHT

A listless Jacklin lets Coody win Player Classic

TURNBERRY, Ayrshire, September 30.

CHARLES COODY, having failed to talk himself out of the Johnnie Walker Player Classic at Turnberry last night, was left with no choice but to play. He looked bound for a seven, until, that is, Jacklin for a second time on the hole, stood courageously aside and from the fringe finished six feet.

Quiet American

Coody, one of the quietest of quiet Americans, and the winner in 1971 of the U.S. Masters, had a four-shot lead going into the last round of the classic and the American, as he said, was not going to let it slip.

Last chance

At that moment Coody must have sensed that it was going to be his day and his holding out for the remainder of the tournament was the highest order. There was still a two-shot difference as the men came to the 14th where Coody got down in two from 60 feet. Jacklin missed on 15 feet. The 15th saw Coody get down in two from 40 feet. Jacklin in 15 feet and it was the same story at the 16th when, after a missed hit wedge, Coody got down in two from 70 feet and Jacklin missed from 12 feet. The last chance came and went at the long 17th.

Worried man

Jacklin got off to one of those starts that people four shots adrift pray for—the birdied two of the first four holes. And from the moment that a 30 ft putt sought out the hole at the short fourth for the second of those birdies, Coody became a worried man. He like any other professional golfer, was well aware that kind of start can do for any golfer and particularly one who, in the past at any rate, has used inspiration so magnificently.

Coody missed his drive at the fifth, felt lucky that he even found the ball and that he could play it. He chopped the ball out but then found the rough on the right and now, it seemed, was the time for Jacklin to step in and make no more of the deficit. The Briton had hit his second about 130 yards short of the green and he elected to play a pitch-and-run shot with a seven iron.

He hit the ball perfectly, but simply not hard enough, and finished on the fringe of the green. Although in rough, Coody had the £1,000 he earned in Geneva.

Tom Weiskopf won another notable victory in his battle with his temperamental insular as he got round the course four times without ever getting really mad. He also won £13,300 as a result of taking the title of Grand Master.

This is a competition within the tournament, and £8,300 goes to the man who has the best score in the Classic, together with his best result in the British and American Opens and the U.S. Masters over the last two years.

Weiskopf and Johnny Miller arrived at Turnberry absolutely level but Miller, with his higher flight and longer swing, was always an odds-on favourite to lose to the powerful Open champion. He, in fact, did well to restrict the eventual margin to four shots because, after the third round he was on the verge of being out of the tournament, as were a number of other players.

It is, of course, a pity that Players have been so bedevilled in the matter of luck. They are the biggest, and in many ways the best, of golfing sponsors and their little fault of their own. Last year they had the same weather they had this year and it was only a matter of time before players like Miller, "Tiny" Chi Chi Rodriguez and Weiskopf stop coming and risking getting their swing torn apart.

Poor weather

It is said that Players want to continue the tournament at Turnberry, and as the players like the course and television people love the scenery that surrounds it, there would seem to be no quarrel with that. But, in order to avoid the inequities of the weather, they have to change the date then surely that is what they must do. The players fed up with continual poor weather and so are the spectators.

The latter are an integral part of any tournament and they simply had a poor deal. Once the gales had dealt with the tented village there was no hot food and in that bitter wind and rain it was sorely needed.

CORPORATION LOANS

MONMOUTHSHIRE COUNTY BONDS 10 1/2%
NO COSTS—PERIOD 1-2 YEARS MIN £1,000
Supported by 15 Authorities within the County of Monmouth.
Full details from: County Treasurer (Dept. F)
County Hall, Newport, Mon. NPT 5XJ. Tel: Newport 65431

WANDSWORTH BONDS
FIXED FOR 1-2 YEARS
£500 AND OVER—REPAYABLE IN FULL ON MATURITY
11%
DIRECTOR OF FINANCE
ROOM 22, MUNICIPAL BUILDINGS,
LONDON, SW18 1PU. 01-874 6464 ext. 258.

LONDON BOROUGH OF BARKING
11.3% 11.0%
Minimum £5,000 Minimum £1,000
PERIODS 1-2 YEARS
Trustee Security. No expenses.
Premature repayment by arrangement.
Enquiries: Borough Treasurer
Civic Centre, Dagenham, RM10 7BW.
Telephone 01-552 4500 ext. 375

CAERPHILLY BONDS
10 1/2%
Repayable on 31st March 1975
Apply to Treasurer
(Mr. C. J. Williams)
Caerphilly, Glamorgan CF8 2WZ.

FOR SALE

- JOURNALIST GOING ABROAD WISHES TO DISPOSE OF**
- 1—Triumph TR6 soft top, 50,000 miles, MOT & taxed, good condition, £650.
 - 2—Honda 175 motor cycle, 1971, carrier & crash bar, good condition, £130.
 - 3—Swiss Cottage s/c unfurnished flat 2 rooms, hall, kit, WC. New renewable 3-year lease at £450 pa. Close tube with easy parking. Contents £3,500. Contact 01-586-2803 evenings

COMPANY NOTICES

GREATERMAN'S STORES LIMITED
(Incorporated in the Republic of South Africa)
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

CAMPARI LIMITED
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

ECONOMIC INSURANCE COMPANY LIMITED
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

GOUGH BROTHERS LIMITED
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

PHILIPS FINANCE LIMITED
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

ROTAPLEX (GREAT BRITAIN) LIMITED
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

THE THOMSON ORGANISATION
NOTICE IS HEREBY GIVEN that the Ordinary Shareholders of the Company are entitled to attend and vote at the 15th Ordinary General Meeting of the Company, to be held on 21st October 1973, at 10.00 a.m. at the Company's Registered Office, 15, Abchurch Lane, London EC4N 3DF, for the purpose of considering and voting on the following resolutions:

COMPAGNIE BANCAIRE

Société Anonyme
Incorporated in France with limited liability

NOTICE TO SHAREHOLDERS

In accordance with resolutions of the Extraordinary General Meeting of shareholders and of the Board of Management duly passed on 7th May 1973 the share capital of the Company was increased from F183,779,400 to F245,039,200 by the application of the sum of F61,259,800 (consisting of F11,824,900 and F50,434,900) and F57,582,100 originally standing to the credit of the Company's three share premium accounts) in paying up in full 612,598 new shares of F100 and by the allotment of the same free from all encumbrances to the shareholders.

Such 612,598 new shares, numbered 1,837,795 to 2,450,392 inclusive, carry the right to dividends in respect of all periods after 31st December 1972 and are issued subject to the provisions of the statutes of the Company in their own right. Certificates will be issued with coupon No. 18 attached.

The new shares will rank pari passu and form a single class with the previously existing shares. Both the new and the old shares will participate to the same extent in the profits for all financial periods after 31st December 1972 and in any repayment or partial repayment of the nominal amount of their capital.

In accordance with the provisions of article 19 of the statutes of the Company, as regards both the assets and the profits of the Company, all shares carry the right, in proportion to the amount of capital each share represents, to the payment of equal net sums in any distribution or capital repayment, whether made in a liquidation or otherwise, so that for this purpose all liabilities to tax which may be assumed by the Company and the benefit of exemptions from tax which may accrue directly to the Company will be deemed to be aggregated and apportioned equally among the shares.

Such 612,598 new shares will be allotted among the holders of the previously existing shares, numbered 1 to 1,837,794 inclusive, on the basis of one new share for every 3 shares held, ignoring fractional entitlements.

Shareholders who would be entitled to fractions of a new share may assign their rights to fractional entitlements to another such holder, provided always that no joint allotment will be made and the Company will not recognise more than one holder for a share.

The right to receive an allotment will be represented by coupon No. 17 attached to the previously existing shares.

On and after the 15th October 1973 such coupon will cease to be valid as a dividend coupon.

The right to receive an allotment will be exercised:

- a-for shares deposited with SICOVAM by rights vouchers or certificates issued under SICOVAM's usual conditions;
- b-for bearer shares by the surrender of coupon No. 17 and
- c-for registered shares by the production of the certificates for denoting with the stamp of one of the paying agents mentioned below.

As required by law, the right to receive an allotment will be negotiable in the same way as a share ("Bons de souscription") on demand (on and after 15th October 1973) to registered shareholders wishing to deal in all or part of their rights.

A holder of previously existing shares may transfer his right to receive an allotment of new shares. The transferee will then become subrogated to the rights and obligations of the original holder as regards the exercise of such right to receive an allotment.

The new shares will be issued, to the order of the allottee, in registered or bearer form.

Requests for allotment may be made on and after 15th October 1973, free of charge, at the following paying agents' offices:-

- In France: Crédit Lyonnais
Banque de Paris et des Pays-Bas
Société Générale
Banque Worms
Banque de l'Union Parisienne
Banque de l'Indochine
Banque Indes-Belge
Banque Nationale de Paris
Caisse Centrale des Banques Populaires
Crédit Commercial de France
Crédit Foncier de France
Crédit Industriel et Commercial
Crédit du Nord
Banque de l'Union Européenne
Banque de Suède et de l'Union des Mines
Banque Vernet et Commerciale de Paris
- In the United Kingdom: Hill Samuel & Co. Limited
Banque de Paris et des Pays-Bas
Crédit Lyonnais
Société Générale

where the appropriate forms will be available.

The unconsolidated balance sheet of the Company at 31st December 1972, certified correct, has been published in the Bulletin des Annonces Légales Obligatoires dated 7th June 1973, No. 65, pages 4385 and 4386.

Application is being made for quotation in Paris of the 612,598 new capitalisation shares, numbered 1,837,795 to 2,450,392 inclusive, and of the rights to receive the allotment of such shares. Application is also being made to the Council of the Stock Exchange in London for admission of the new shares to the Official List. The rights may be dealt in separately in London under Rule 163(1) (a) following the quotation in Paris.

COMPAGNIE BANCAIRE

President of the Board of Management: Pierre Basse
Private Address: 99 rue de Courcelles, 75017, PARIS.
Compagnie Bancaire registered address: 25 Avenue Kléber, 75116, PARIS.

INTERIM STATEMENT

INTERIM STATEMENT



Interim Report for the 6 months to 30th June, 1973

Pre-tax profits of £807,000 for the six months ended 30th June 1973 for Crane Fruehauf Ltd. and its subsidiaries show a substantial increase from £581,000 achieved for the first half of 1972.

Improved performance combined with a healthy growth in the volume of trailer business has more than offset the decline in container business which was forecast at the end of last year. All other companies in the Group showed improved results.

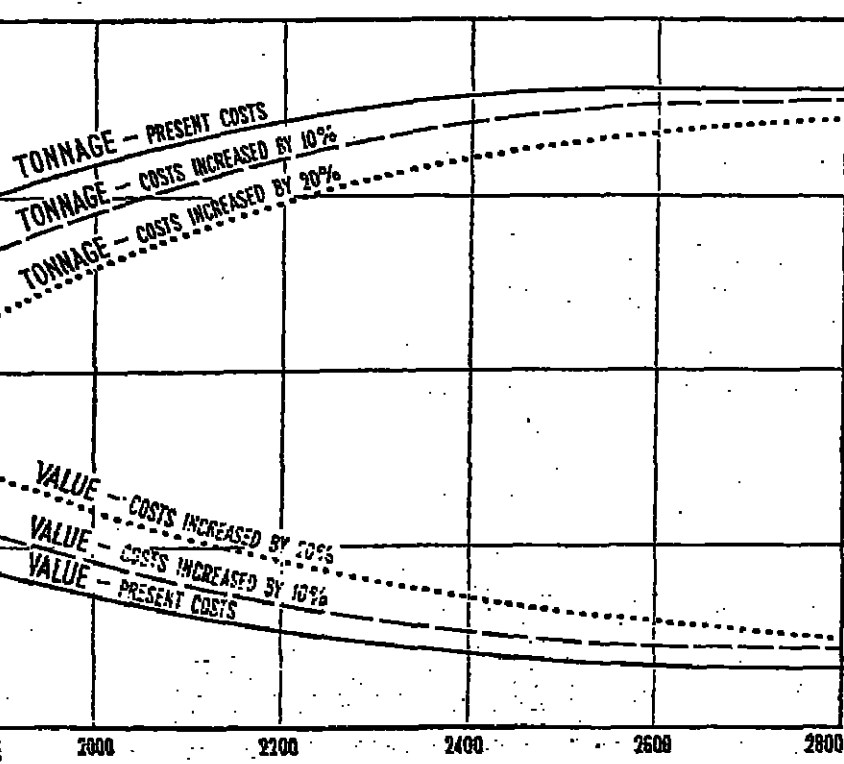
In Crane Fruehauf Trailers Ltd., the biggest area of the Group's activities, orders have been running at record levels. This position is expected to continue for the rest of the year and into 1974. Preparations for the manufacture of van trailers at the container plant are complete and production has started.

As the largest manufacturer of trailers and containers in Europe the company has the capacity to meet the present upsurge in demand and that foreseen in the near future without any major capital expenditure.

With reference to the current restrictions on dividends, the Directors have declared an interim dividend of 4.2% on capital of £1,540,000 absorbing £64,680, which, after taking into account the imputed tax credit, is equivalent to 6% gross (1972-6% on the same capital). In order to minimise the Company's liability to taxation this dividend will be paid on 4th January 1974 to shareholders on the register at the close of business on 23rd November 1973. Under existing tax legislation this is the last time a dividend will be necessary.

Crane Fruehauf Limited			
Interim Statement for six months to 30th June 1973			
	1973	1972	
Six months to	30th June	30th June	31st Dec
Turnover	£700	£700	£700
	14,249	14,140	13,537
Group Profit			
Before Taxation	807	581	738
Taxation	383	206	359
Minority Interests	54	29	34
Profit available for Ordinary Shareholders	370	336	345

The figures for the six months to June in each year are unaudited. Taxation for the six months to June 1973 has been computed at an assumed rate for Corporation Tax of 47.5%.



HOTELS—Continued

حکومت اہل

INDUSTRIALS - Continued

Stock	Price	Dividend	Yield	Stock	Price	Dividend	Yield
Admiral	12.50	0.10	0.8%	British Petroleum	145.00	1.50	1.0%
Anglo	10.00	0.08	0.8%	British Airways	120.00	1.20	1.0%
Armstrong	15.00	0.15	1.0%	British Telecom	110.00	1.10	1.0%
Asahi	18.00	0.18	1.0%	British Overseas Airways	100.00	1.00	1.0%
Bank of India	20.00	0.20	1.0%	British Overseas Airways	90.00	0.90	1.0%
Bank of London	22.00	0.22	1.0%	British Overseas Airways	80.00	0.80	1.0%
Bank of Montreal	24.00	0.24	1.0%	British Overseas Airways	70.00	0.70	1.0%
Bank of New South Wales	26.00	0.26	1.0%	British Overseas Airways	60.00	0.60	1.0%
Bank of Queensland	28.00	0.28	1.0%	British Overseas Airways	50.00	0.50	1.0%
Bank of South Africa	30.00	0.30	1.0%	British Overseas Airways	40.00	0.40	1.0%
Bank of Western Australia	32.00	0.32	1.0%	British Overseas Airways	30.00	0.30	1.0%
Bank of Western Australia	34.00	0.34	1.0%	British Overseas Airways	20.00	0.20	1.0%
Bank of Western Australia	36.00	0.36	1.0%	British Overseas Airways	10.00	0.10	1.0%
Bank of Western Australia	38.00	0.38	1.0%	British Overseas Airways	5.00	0.05	1.0%
Bank of Western Australia	40.00	0.40	1.0%	British Overseas Airways	2.50	0.025	1.0%
Bank of Western Australia	42.00	0.42	1.0%	British Overseas Airways	1.25	0.0125	1.0%
Bank of Western Australia	44.00	0.44	1.0%	British Overseas Airways	0.625	0.00625	1.0%
Bank of Western Australia	46.00	0.46	1.0%	British Overseas Airways	0.3125	0.003125	1.0%
Bank of Western Australia	48.00	0.48	1.0%	British Overseas Airways	0.15625	0.0015625	1.0%
Bank of Western Australia	50.00	0.50	1.0%	British Overseas Airways	0.078125	0.00078125	1.0%
Bank of Western Australia	52.00	0.52	1.0%	British Overseas Airways	0.0390625	0.000390625	1.0%
Bank of Western Australia	54.00	0.54	1.0%	British Overseas Airways	0.01953125	0.0001953125	1.0%
Bank of Western Australia	56.00	0.56	1.0%	British Overseas Airways	0.009765625	0.00009765625	1.0%
Bank of Western Australia	58.00	0.58	1.0%	British Overseas Airways	0.0048828125	0.000048828125	1.0%
Bank of Western Australia	60.00	0.60	1.0%	British Overseas Airways	0.00244140625	0.0000244140625	1.0%
Bank of Western Australia	62.00	0.62	1.0%	British Overseas Airways	0.001220703125	0.00001220703125	1.0%
Bank of Western Australia	64.00	0.64	1.0%	British Overseas Airways	0.0006103515625	0.000006103515625	1.0%
Bank of Western Australia	66.00	0.66	1.0%	British Overseas Airways	0.00030517578125	0.0000030517578125	1.0%
Bank of Western Australia	68.00	0.68	1.0%	British Overseas Airways	0.000152587890625	0.00000152587890625	1.0%
Bank of Western Australia	70.00	0.70	1.0%	British Overseas Airways	0.0000762939453125	0.000000762939453125	1.0%
Bank of Western Australia	72.00	0.72	1.0%	British Overseas Airways	0.00003814697265625	0.0000003814697265625	1.0%
Bank of Western Australia	74.00	0.74	1.0%	British Overseas Airways	0.000019073486328125	0.00000019073486328125	1.0%
Bank of Western Australia	76.00	0.76	1.0%	British Overseas Airways	0.0000095367431640625	0.000000095367431640625	1.0%
Bank of Western Australia	78.00	0.78	1.0%	British Overseas Airways	0.00000476837158203125	0.0000000476837158203125	1.0%
Bank of Western Australia	80.00	0.80	1.0%	British Overseas Airways	0.000002384185791015625	0.00000002384185791015625	1.0%
Bank of Western Australia	82.00	0.82	1.0%	British Overseas Airways	0.0000011920928955078125	0.000000011920928955078125	1.0%
Bank of Western Australia	84.00	0.84	1.0%	British Overseas Airways	0.00000059604644775390625	0.0000000059604644775390625	1.0%
Bank of Western Australia	86.00	0.86	1.0%	British Overseas Airways	0.000000298023223876953125	0.00000000298023223876953125	1.0%
Bank of Western Australia	88.00	0.88	1.0%	British Overseas Airways	0.0000001490116119384765625	0.000000001490116119384765625	1.0%
Bank of Western Australia	90.00	0.90	1.0%	British Overseas Airways	0.00000007450580596923828125	0.0000000007450580596923828125	1.0%
Bank of Western Australia	92.00	0.92	1.0%	British Overseas Airways	0.000000037252902984619140625	0.00000000037252902984619140625	1.0%
Bank of Western Australia	94.00	0.94	1.0%	British Overseas Airways	0.0000000186264514923095703125	0.000000000186264514923095703125	1.0%
Bank of Western Australia	96.00	0.96	1.0%	British Overseas Airways	0.00000000931322574615478515625	0.0000000000931322574615478515625	1.0%
Bank of Western Australia	98.00	0.98	1.0%	British Overseas Airways	0.000000004656612873077392578125	0.00000000004656612873077392578125	1.0%
Bank of Western Australia	100.00	1.00	1.0%	British Overseas Airways	0.0000000023283064365386962890625	0.000000000023283064365386962890625	1.0%

INDUSTRIALS - Continued

Stock	Price	Dividend	Yield	Stock	Price	Dividend	Yield
Bank of Western Australia	102.00	1.02	1.0%	British Overseas Airways	10.00	0.10	1.0%
Bank of Western Australia	104.00	1.04	1.0%	British Overseas Airways	9.00	0.09	1.0%
Bank of Western Australia	106.00	1.06	1.0%	British Overseas Airways	8.00	0.08	1.0%
Bank of Western Australia	108.00	1.08	1.0%	British Overseas Airways	7.00	0.07	1.0%
Bank of Western Australia	110.00	1.10	1.0%	British Overseas Airways	6.00	0.06	1.0%
Bank of Western Australia	112.00	1.12	1.0%	British Overseas Airways	5.00	0.05	1.0%
Bank of Western Australia	114.00	1.14	1.0%	British Overseas Airways	4.00	0.04	1.0%
Bank of Western Australia	116.00	1.16	1.0%	British Overseas Airways	3.00	0.03	1.0%
Bank of Western Australia	118.00	1.18	1.0%	British Overseas Airways	2.00	0.02	1.0%
Bank of Western Australia	120.00	1.20	1.0%	British Overseas Airways	1.00	0.01	1.0%
Bank of Western Australia	122.00	1.22	1.0%	British Overseas Airways	0.50	0.005	1.0%
Bank of Western Australia	124.00	1.24	1.0%	British Overseas Airways	0.25	0.0025	1.0%
Bank of Western Australia	126.00	1.26	1.0%	British Overseas Airways	0.125	0.00125	1.0%
Bank of Western Australia	128.00	1.28	1.0%	British Overseas Airways	0.0625	0.000625	1.0%
Bank of Western Australia	130.00	1.30	1.0%	British Overseas Airways	0.03125	0.0003125	1.0%
Bank of Western Australia	132.00	1.32	1.0%	British Overseas Airways	0.015625	0.00015625	1.0%
Bank of Western Australia	134.00	1.34	1.0%	British Overseas Airways	0.0078125	0.000078125	1.0%
Bank of Western Australia	136.00	1.36	1.0%	British Overseas Airways	0.00390625	0.0000390625	1.0%
Bank of Western Australia	138.00	1.38	1.0%	British Overseas Airways	0.001953125	0.00001953125	1.0%
Bank of Western Australia	140.00	1.40	1.0%	British Overseas Airways	0.0009765625	0.000009765625	1.0%
Bank of Western Australia	142.00	1.42	1.0%	British Overseas Airways	0.00048828125	0.0000048828125	1.0%
Bank of Western Australia	144.00	1.44	1.0%	British Overseas Airways	0.000244140625	0.00000244140625	1.0%
Bank of Western Australia	146.00	1.46	1.0%	British Overseas Airways	0.0001220703125	0.000001220703125	1.0%
Bank of Western Australia	148.00	1.48	1.0%	British Overseas Airways	0.00006103515625	0.0000006103515625	1.0%
Bank of Western Australia	150.00	1.50	1.0%	British Overseas Airways	0.000030517578125	0.00000030517578125	1.0%
Bank of Western Australia	152.00	1.52	1.0%	British Overseas Airways	0.0000152587890625	0.000000152587890625	1.0%
Bank of Western Australia	154.00	1.54	1.0%	British Overseas Airways	0.00000762939453125	0.0000000762939453125	1.0%
Bank of Western Australia	156.00	1.56	1.0%	British Overseas Airways	0.000003814697265625	0.00000003814697265625	1.0%
Bank of Western Australia	158.00	1.58	1.0%	British Overseas Airways	0.0000019073486328125	0.000000019073486328125	1.0%
Bank of Western Australia	160.00	1.60	1.0%	British Overseas Airways	0.00000095367431640625	0.0000000095367431640625	1.0%
Bank of Western Australia	162.00	1.62	1.0%	British Overseas Airways	0.000000476837158203125	0.00000000476837158203125	1.0%
Bank of Western Australia	164.00	1.64	1.0%	British Overseas Airways	0.0000002384185791015625	0.000000002384185791015625	1.0%
Bank of Western Australia	166.00	1.66	1.0%	British Overseas Airways	0.00000011920928955078125	0.0000000011920928955078125	1.0%
Bank of Western Australia	168.00	1.68	1.0%	British Overseas Airways	0.000000059604644775390625	0.00000000059604644775390625	1.0%
Bank of Western Australia	170.00	1.70	1.0%	British Overseas Airways	0.0000000298023223876953125	0.000000000298023223876953125	1.0%
Bank of Western Australia	172.00	1.72	1.0%	British Overseas Airways	0.00000001490116119384765625	0.0000000001490116119384765625	1.0%
Bank of Western Australia	174.00	1.74	1.0%	British Overseas Airways	0.000000007450580596923828125	0.00000000007450580596923828125	1.0%
Bank of Western Australia	176.00	1.76	1.0%	British Overseas Airways	0.0000000037252902984619140625	0.000000000037252902984619140625	1.0%
Bank of Western Australia	178.00	1.78	1.0%	British Overseas Airways	0.00000000186264514923095703125	0.0000000000186264514923095703125	1.0%
Bank of Western Australia	180.00	1.80	1.0%	British Overseas Airways	0.000000000931322574615478515625	0.00000000000931322574615478515625	1.0%
Bank of Western Australia	182.00	1.82	1.0%	British Overseas Airways	0.0000000004656612873077392578125	0.000000000004656612873077392578125	1.0%
Bank of Western Australia	184.00	1.84	1.0%	British Overseas Airways	0.00000000023283064365386962890625	0.0000000000023283064365386962890625	1.0%
Bank of Western Australia	186.00	1.86	1.0%	British Overseas Airways	0.00000000011641532182693481453125	0.0000000000011641532182693481453125	1.0%
Bank of Western Australia	188.00	1.88	1.0%	British Overseas Airways	0.000000000058207660913467407265625	0.00000000000058207660913467407265625	1.0%
Bank of Western Australia	190.00	1.90	1.0%	British Overseas Airways	0.0000000000291038304567337036328125	0.000000000000291038304567337036328125	1.0%
Bank of Western Australia	192.00	1.92	1.0%	British Overseas Airways	0.00000000001455191522836685181640625	0.0000000000001455191522836685181640625	1.0%
Bank of Western Australia	194.00	1.94	1.0%	British Overseas Airways	0.000000000007275957614183425908203125	0.00000000000007275957614183425908203125	1.0%
Bank of Western Australia	196.00	1.96	1.0%	British Overseas Airways	0.0000000000036379788070917125451015625	0.000000000000036379788070917125451015625	1.0%
Bank of Western Australia	198.00	1.98	1.0%	British Overseas Airways	0.00000000000181898940354585627255078125	0.0000000000000181898940354585627255078125	1.0%
Bank of Western Australia	200.00	2.00	1.0%	British Overseas Airways	0.000000000000909494701772928137525390625	0.00000000000000909494701772928137525390625	1.0%

PROPERTY - Continued

TEXTILES-CLOTHING										
Stock	Price	Div.	Yld	Stock	Price	Div.	Yld	Stock	Price	
Ac. July 1930	45	1.25	2.8	Ac. July 1930	45	1.25	2.8	Ac. July 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25	2.8	Ac. Trans. 1930	45	1.25
Ac. Trans. 1930	45	1.25	2.8							

